

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

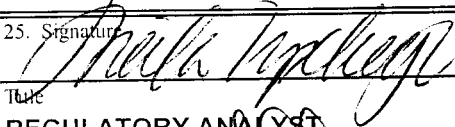
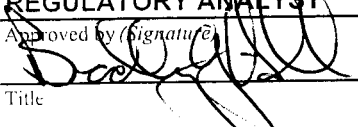
FORM APPROVED  
OMB No. 1004-0136  
Expires November 30, 2000

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. <b>UTU-015630-A</b>
b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator <b>WESTPORT OIL &amp; GAS COMPANY L.P.</b>		7. If Unit or CA Agreement, Name and No. <b>NATURAL BUTTES UNIT</b>
3A. Address <b>1368 SOUTH 1200 EAST VERNAL, UT 84078</b>	3b. Phone No. (include area code) <b>(435) 781-7024</b>	8. Lease Name and Well No. <b>NBU 1021-24I</b>
4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface <b>NESE 2272'FSL, 870'FEL 628814X 37.152245</b> At proposed prod. Zone <b>4421126Y - 109.412454</b>		9. API Well No. <b>43-047-37910</b>
14. Distance in miles and direction from nearest town or post office* <b>27.55 MILES SOUTHEAST OF OURAY, UTAH</b>		10. Field and Pool, or Exploratory <b>NATURAL BUTTES</b>
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) <b>870'</b>		11. Sec., T., R., M., or Blk. and Survey or Area <b>SECTION 24-T10S-R21E</b>
16. No. of Acres in lease <b>82.46</b>	17. Spacing Unit dedicated to this well <b>40.00</b>	12. County or Parish <b>UINTAH</b>
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. <b>REFER TO TOPO C</b>	19. Proposed Depth <b>9050</b>	13. State <b>UTAH</b>
20. BLM/BIA Bond No. on file <b>CO-1203</b>		
21. Elevations (Show whether DF, KDB, RT, GL, etc.) <b>5322'GL</b>		22. Approximate date work will start* <b>UPON APPROVAL</b>
		23. Estimated duration <b>TO BE DETERMINED</b>

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- |   |   |
|---|---|
| 1. Well plat certified by a registered surveyor.  | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).   |
| 2. A Drilling Plan.   | 5. Operator certification.  |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized office. |

25. Signature 	Name (Printed/Typed) <b>SHEILA UPCHEGO</b>	Date <b>3/7/2006</b>
Title <b>REGULATORY ANALYST</b>		
Approved by (Signature) 	Name (Printed/Typed) <b>BRADLEY G. HILL</b>	Date <b>05-19-06</b>
Title <b>ENVIRONMENTAL MANAGER</b>	Office	

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*(Instructions on reverse)

Federal Approval of this  
Action is Necessary

RECEIVED

MAR 10 2006

BY CPUL CUSANTINI

T10S, R21E, S.L.B.&M.

Kerr-McGee Oil & Gas Onshore LP

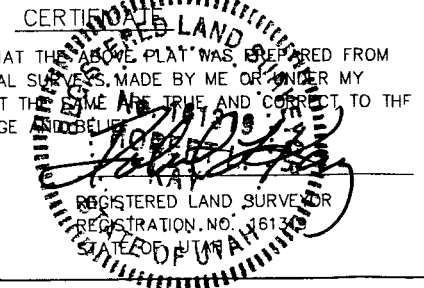
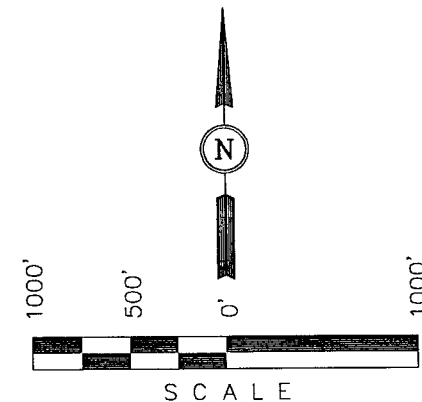
Well location, NBU #1021-24I, located as shown in the NE 1/4 SE 1/4 of Section 24, T10S, R21E, S.L.B.&M. Uintah County, Utah.

### BASIS OF ELEVATION

TWO WATER TRIANGULATION STATION LOCATED IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN NE, QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5238 FEET.

### BASIS OF BEARINGS

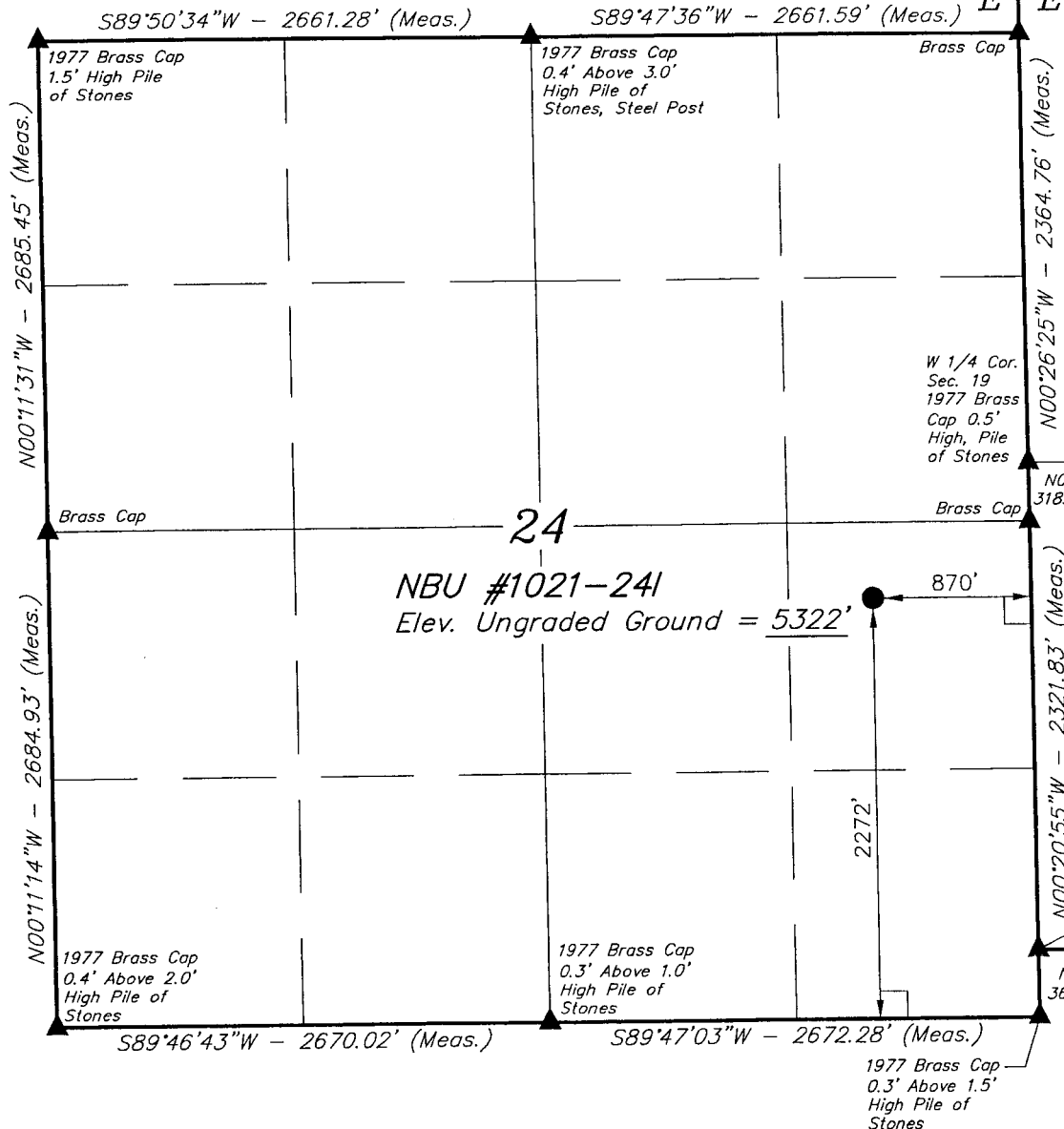
BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



REVISED: 01-14-06

**UINTAH ENGINEERING & LAND SURVEYING**  
85 SOUTH 200 EAST - VERNAL, UTAH 84078  
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 12-07-05	DATE DRAWN: 12-10-05
PARTY P.J. N.F. P.M.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE Kerr-McGee Oil & Gas Onshore LP	



### LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

(NAD 83)  
LATITUDE = 39°55'56.56" (39.932378)  
LONGITUDE = 109°29'35.84" (109.493289)

(NAD 27)  
LATITUDE = 39°55'56.68" (39.932411)  
LONGITUDE = 109°29'33.37" (109.492603)

Division of Oil, Gas and Mining  
**OPERATOR CHANGE WORKSHEET**

**ROUTING**

1. DJJ  
 2. CDW

**X Change of Operator (Well Sold)**

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:

**1/6/2006**

<b>FROM: (Old Operator):</b> N2115-Westport Oil & Gas Co., LP 1368 South 1200 East Vernal, UT 84078 Phone: 1-(435) 781-7024	<b>TO: ( New Operator):</b> N2995-Kerr-McGee Oil & Gas Onshore, LP 1368 South 1200 East Vernal, UT 84078 Phone: 1-(435) 781-7024
---	--

**CA No.**

**Unit:**

**NATURAL BUTTES**

WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
NBU 920-14L	14	090S	200E	4304737894		Federal	GW	APD
NBU 920-15B	15	090S	200E	4304737895		Federal	GW	APD
NBU 920-15C	15	090S	200E	4304737896		Federal	GW	APD
NBU 920-21E	21	090S	200E	4304737897		Federal	GW	APD
NBU 920-22A	22	090S	200E	4304737898		Federal	GW	APD
NBU 920-27A	27	090S	200E	4304737899		Federal	GW	APD
NBU 920-27G	27	090S	200E	4304737900		Federal	GW	APD
NBU 920-27F	27	090S	200E	4304737901		Federal	GW	APD
NBU 920-27C	27	090S	200E	4304737902		Federal	GW	APD
NBU 920-27B	27	090S	200E	4304737903		Federal	GW	APD
NBU 920-27D	27	090S	200E	4304737904		Federal	GW	APD
NBU 920-27I	27	090S	200E	4304737905		Federal	GW	APD
NBU 920-27H	27	090S	200E	4304737906		Federal	GW	APD
NBU 921-27N	27	090S	210E	4304737956		State	GW	NEW
STATE 921-32N	32	090S	210E	4304737957		State	GW	NEW
STATE 921-32O	32	090S	210E	4304737958		State	GW	NEW
NBU 921-33M	33	090S	210E	4304737959		State	GW	NEW
NBU 921-34J	34	090S	210E	4304737953		State	GW	NEW
NBU 922-31N	31	090S	220E	4304737954		State	GW	NEW
NBU 922-32N	32	090S	220E	4304737955		State	GW	NEW
NBU 1021-3L	03	100S	210E	4304737907		Federal	GW	APD
NBU 1021-3D	03	100S	210E	4304737908		Federal	GW	APD
NBU 1021-3H	03	100S	210E	4304737909		Federal	GW	APD
NBU 1021-3G	03	100S	210E	4304737963		Federal	GW	APD
NBU 1021-4G	04	100S	210E	4304737960		State	GW	NEW
NBU 1021-4B	04	100S	210E	4304737961		State	GW	NEW
NBU 1021-4H	04	100S	210E	4304737962		State	GW	NEW
NBU 1021-5F	05	100S	210E	4304737964		Federal	GW	APD
NBU 1021-5D	05	100S	210E	4304737965		Federal	GW	APD
NBU 1021-6E	06	100S	210E	4304737966		Federal	GW	APD
NBU 1021-6D	06	100S	210E	4304737967		Federal	GW	APD
NBU 1021-6C	06	100S	210E	4304737968		Federal	GW	APD
NBU 1021-7B	07	100S	210E	4304737941		Federal	GW	APD
NBU 1021-24I	24	100S	210E	4304737910		Federal	GW	NEW
NBU 1021-24C	24	100S	210E	4304737911		Federal	GW	APD
NBU 1021-24B	24	100S	210E	4304737912		Federal	GW	NEW
NBU 1021-25G	25	100S	210E	4304737913		Federal	GW	APD
NBU 1021-25E	25	100S	210E	4304737917		Federal	GW	APD
NBU 1021-25C	25	100S	210E	4304737969		Federal	GW	APD
NBU 1022-19K	19	100S	220E	4304737783		Federal	GW	APD

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

**SUNDRY NOTICES AND REPORTS ON WELLS**  
**Do not use this form for proposals to drill or reenter an  
abandoned well. Use Form 3160-3 (APD) for such proposals.**

**SUBMIT IN TRIPLICATE – Other instructions on reverse side**

1. Type of Well  
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

**KERR-McGEE OIL & GAS ONSHORE LP**

3a. Address

**1368 SOUTH 1200 EAST VERNAL, UT 84078**

3b. Phone No. (include area code)

**(435) 781-7024**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**SEE ATTACHED**

5. Lease Serial No.

**MULTIPLE LEASES**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

**MUTIPLE WELLS**

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State

**UINTAH COUNTY, UTAH**

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <b>CHANGE OF OPERATOR</b>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

PLEASE BE ADVISED THAT KERR-McGEE OIL & GAS ONSHORE LP, IS CONSIDERED TO BE THE OPERATOR OF THE ATTACHED WELL LOCATIONS. EFFECTIVE JANUARY 6, 2006.

KERR-McGEE OIL & GAS ONSHORE LP, IS RESPONSIBLE UNDER TERMS AND CONDITIONS OF THE LEASE(S) FOR THE OPERATIONS CONDUCTED UPON LEASE LANDS. BOND COVERAGE IS PROVIDED BY STATE OF UTAH NATIONWIDE BOND NO. RLB0005237.

**RECEIVED**

**MAY 10 2006**

DIV. OF OIL, GAS & MININ

**BLM BOND = C01203**  
**BIA BOND = RLB0005239**

**APPROVED 5/16/06**

**Earlene Russell**  
**Division of Oil, Gas and Mining**  
**Earlene Russell, Engineering Technician**

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

**RANDY BAYNE**

Signature

*Randy Bayne*

Title

**DRILLING MANAGER**

Date

**May 9, 2006**

**THIS SPACE FOR FEDERAL OR STATE USE**

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

**SUNDRY NOTICES AND REPORTS ON WELLS**

**Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.**

**SUBMIT IN TRIPLICATE – Other instructions on reverse side**

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

**WESTPORT OIL & GAS COMPANY L.P.**

3a. Address

**1368 SOUTH 1200 EAST VERNAL, UT 84078**

3b. Phone No. (include area code)

**(435) 781-7024**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**SEE ATTACHED**

5. Lease Serial No.

**MULTIPLE LEASES**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

**MUTIPLE WELLS**

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State

**UINTAH COUNTY, UTAH**

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other CHANGE OF OPERATOR
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

EFFECTIVE JANUARY 6, 2006, WESTPORT OIL & GAS COMPANY L.P., HAS RELINQUISHED THE OPERATORSHIP OF THE ATTACHED WELL LOCATIONS TO KERR-McGEE OIL & GAS ONSHORE LP.

**APPROVED** 5/16/06

*Earlene Russell*  
**Division of Oil, Gas and Mining**  
**Earlene Russell, Engineering Technician**

**RECEIVED**

**MAY 10 2006**

**DIV OF OIL, GAS & MINING**

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

**BRAD LANEY**

Signature

Title

**ENGINEERING SPECIALIST**

Date

**May 9, 2006**

**THIS SPACE FOR FEDERAL OR STATE USE**

Approved by

*Brad Laney*

Title

Date

**5-9-06**

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office  
P.O. Box 45155  
Salt Lake City, UT 84145-0155  
<http://www.blm.gov>



IN REPLY REFER TO:  
3106  
(UT-922)

March 27, 2006

### Memorandum

To: Vernal Field Office

From: Chief, Branch of Fluid Minerals

Subject: Merger Approval

Attached is an approved copy of the merger recognized by the Bureau of Land Management, Colorado State Office. We have updated our records to reflect the merger from Westport Oil and Gas Company L.P. into Kerr-McGee Onshore Oil and Gas Company. The merger was approved effective January 4, 2006.

Chief, Branch of  
Fluid Minerals

### Enclosure

Approval letter from BLM COSO (2 pp)

cc: MMS, Reference Data Branch, James Sykes, PO Box 25165, Denver CO 80225  
State of Utah, DOGM, Attn: Earlene Russell, PO Box 145801, SLC UT 84114  
Teresa Thompson  
Joe Incardine  
Connie Seare  
Dave Mascarenas  
Susan Bauman

MAR 28 2006

BLM OF OHIO 022806

LLE: Judy NordstromMEMO WRITTEN: March 27, 2006**Name of Company:****OLD****Westport O&G Co. L.P.**

1670 Broadway

Suite 2800

Denver CO 80202

**NEW NID****Kerr-McGee**

1999 Broadway

Suite 3700

Denver, CO 80202

\*\*\*\*\*

**January 4, 2006****(817) CORPORATE MERGER RECOGNIZED****(DATE)**

\*\*\*\*\*

UTSL-065814A	UTU-01198D	UTU-075939	UTU-38418	UTU-64376	UTU-75517
UTSL-070220A	UTU-01301	UTU-0109054	UTU-38419	UTU-65222	UTU-75699
UTSL-071756	UTU-01304	UTU-0129384	UTU-38420	UTU-65223	UTU-76041
UTSL-071803A	UTU-01393B	UTU-0109054	UTU-38421	UTU-66401	UTU-76242
UTSL-071861	UTU-01393C	UTU-0132568A	UTU-38423	UTU-66746	UTU-76493
UTU-0281	UTU-01393D	UTU-0136484	UTU-38424	UTU-67178	UTU-76495
UTU-0282	UTU-01416	UTU-013769A	UTU-38425	UTU-67549	UTU-76503
UTU-0285A	UTU-01416A	UTU-0142175	UTU-38426	UTU-68634	UTU-76829
UTU-0336	UTU-01470D	UTU-0143276	UTU-38427	UTU-67868	UTU-76830
UTU-0336A	UTU-01791	UTU-0143933	UTU-38428	UTU-68999	UTU-76831
UTU-0337	UTU-01791A	UTU-0146551	UTU-40729	UTU-71417	UTU-76836
UTU-0343	UTU-02270A	UTU-0145824	UTU-40736	UTU-71418	UTU-77084
UTU-0344A	UTU-02277A	UTU-0149077	UTU-42469	UTU-71423	UTU-77290
UTU-0385	UTU-02277B	UTU-0149078	UTU-43917	UTU-71424	UTU-77530
UTU-0460	UTU-02277C	UTU-0149079	UTU-46699	UTU-71694	UTU-77531
UTU-0462	UTU-02278	UTU-0149080	UTU-49530	UTU-72027	UTU-78032
UTU-0463	UTU-02278A	UTU-0149081	UTU-50687	UTU-72028	UTU-78228
UTU-0464	UTU-02278C	UTU-4478	UTU-51026	UTU-73020	UTU-78714
UTU-0466	UTU-02651	UTU-4485	UTU-54017	UTU-73021	UTU-78727
UTU-0468	UTU-02651B	UTU-14646	UTU-52298	UTU-73409	UTU-78852
UTU-0469	UTU-02842B	UTU-10291	UTU-53860	UTU-73175	UTU-78853
UTU-0470	UTU-06674	UTU-20895	UTU-53861	UTU-73409	UTU-78854
UTU-0471	UTU-07386	UTU-25880	UTU-54017	UTU-73450	UTU-79005
UTU-0472	UTU-08344	UTU-28212	UTU-58097	UTU-73685	UTU-80201
UTU-0473	UTU-08344A	UTU-28213	UTU-60739	UTU-73749	UTU-80202
UTU-0474	UTU-08345	UTU-28652	UTU-60754	UTU-74413	UTU-80553
UTU-0647	UTU-08346	UTU-29535	UTU-60763	UTU-74414	UTU-80554
UTU-01190	UTU-08347	UTU-29797	UTU-60767	UTU-74415	UTU-80557
UTU-01191	UTU-08348	UTU-30289	UTU-60768	UTU-74416	UTU-80560
UTU-01191A	UTU-010953	UTU-31260	UTU-60774	UTU-74425	UTU-80561
UTU-01195	UTU-010954	UTU-31736	UTU-60821	UTU-74473	UTU-80562
UTU-01195B	UTU-010954A	UTU-34705	UTU-60822	UTU-74898	UTU-80563
UTU-01196A	UTU-010956	UTU-34711	UTU-60944	UTU-74954	UTU-80643X
UTU-01196B	UTU-011336	UTU-37116	UTU-60951	UTU-75091	UTU-80564
UTU-01196C	UTU-019188	UTU-37355	UTU-61263	UTU-75096	UTU-80565
UTU-01196D	UTU-015630A	UTU-37573	UTU-61396	UTU-75097	UTU-80666
UTU-01196E	UTU-025187	UTU-37943	UTU-63016D	UTU-75108	UTU-80691
UTU-01198A	UTU-037166	UTU-38261	UTU-63016X	UTU-75132	UTU-80922
UTU-01198B	UTU-037167	UTU-38401	UTU-63065A	UTU-75247	UTU-80932
UTU-01198C	UTU-013769B	UTU-38411	UTU-63065X	UTU-75248	UTU-80933

UTU-80934					
UTU-80935					
UTU-80936					
UTU-80937					
UTU-80939					
UTU-80940					
UTU-81201					
UTU-81202					
UTU-81161					
UTU-81203					
UTU-81655					
UTU-81656					
UTU-81657					
UTU-81694					
UTU-81696					
UTU-82190					
UTU-82191					
UTU-82192					
UTU-82541					
UTU-84207					
UTU-84208					





## United States Department of the Interior

BUREAU OF LAND MANAGEMENT  
Colorado State Office  
2850 Youngfield Street  
Lakewood, Colorado 80215-7076

IN REPLY REFER TO:

CO922 (MM)  
3106  
COC017387 et. al.

March 23, 2006

### NOTICE

Kerr-McGee Oil & Gas Onshore L.P. :  
1999 Broadway, Suite 3700 : Oil & Gas  
Denver, CO 80202 :

#### Merger/Name Change - Recognized

On February 28, 2006 this office received acceptable evidence of the following mergers and name conversion:

Kerr-McGee Oil & Gas Onshore L.P., a Delaware Limited Partnership, and Kerr-McGee Oil & Gas Onshore LLC, a Delaware Limited Partnership merger with and into Westport Oil and Gas Company L.P., a Delaware Limited Partnership, and subsequent Westport Oil & Gas Company L.P. name conversion to Kerr-McGee Oil & Gas Onshore L.P.

For our purposes the merger and name conversion was effective January 4, 2006, the date the Secretary of State of Delaware authenticated the mergers and name conversion.

Kerr-McGee Oil & Gas Onshore L.P. provided a list of oil and gas leases held by the merging parties with the request that the Bureau of Land Management change all their lease records from the named entities to the new entity, Kerr-McGee Oil & Gas Onshore L.P. In response to this request each state is asked to retrieve their own list of leases in the names of these entities from the Bureau of Land Management's (BLM) automated LR2000 data base.

The oil and gas lease files identified on the list provided by Kerr-McGee Oil & Gas Onshore L.P. have been updated as to the merger and name conversion. We have not abstracted the lease files to determine if the entities affected by the acceptance of these documents holds an interest in the lease, nor have we attempt to identify leases where the entity is the operator on the ground that maintains vested record title or operating rights interests. If additional documentation, for change of operator, is required you will be contacted directly by the appropriate Field Office. The Mineral Management Services (MMS) and other applicable BLM offices were notified of the merger with a copy of this notice

Please contact this office if you identify additional leases where the merging party maintains an interest, under our jurisdiction, and we will document the case files with a copy of this notice. If the leases are under the jurisdiction of another State Office that information will be forwarded to them for their action.

Three riders accompanied the merger/name conversion documents which will add Kerr-McGee Oil and Gas Onshore LLC as a principal to the 3 Kerr-McGee bonds maintained by the Wyoming State Office. These riders will be forward to them for their acceptance.

The Nationwide Oil & Gas Continental Casualty Company Bond #158626364 (BLM Bond #CO1203), maintained by the Colorado State Office, will remain in full force and effect until an assumption rider is accepted by the Wyoming State Office that conditions their Nationwide Safeco bond to accept all outstanding liability on the oil and gas leases attached to the Colorado bond.

If you have questions about this action you may call me at 303.239.3768.

/s/Martha L. Maxwell  
Martha L. Maxwell  
Land Law Examiner  
Fluid Minerals Adjudication

Attachment:

List of OG Leases to each of the following offices:

MMS MRM, MS 357B-1

WY, UT, NM/OK/TX, MT/ND, WY State Offices

CO Field Offices

Wyoming State Office

Rider #1 to Bond WY2357

Rider #2 to Bond WY1865

Rider #3 to Bond WY1127

# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office  
P.O. Box 45155  
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:  
3160  
(UT-922)

March 17, 2006

### Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2006 Plan of Development Natural Buttes Unit Uintah  
County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2006 within the Natural Buttes Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION
-------	-----------	----------

(Proposed PZ Wasatch/MesaVerde)

43-047-37910	NBU 1021-24I Sec 24 T10S R21E 2272 FSL 0870 FEL	
43-047-37911	NBU 1021-24C Sec 24 T10S R21E 0626 FNL 1887 FWL	
43-047-37912	NBU 1021-24B Sec 24 T10S R21E 0905 FNL 1648 FEL	
43-047-37913	NBU 1021-25G Sec 25 T10S R21E 2445 FNL 2079 FEL	
43-047-37914	NBU 1021-25H Sec 25 T10S R21E 2377 FNL 0127 FEL	
43-047-37917	NBU 1021-25E Sec 25 T10S R21E 2301 FNL 0183 FWL	
43-047-37907	NBU 1021-03L Sec 03 T10S R21E 2618 FSL 0315 FWL	
43-047-37908	NBU 1021-03D Sec 03 T10S R21E 0285 FNL 0915 FWL	
43-047-37909	NBU 1021-03H Sec 03 T10S R21E 1884 FNL 0506 FEL	
43-047-37894	NBU 920-14L Sec 14 T09S R20E 1907 FSL 0707 FWL	
43-047-37895	NBU 920-15B Sec 15 T09S R20E 0501 FNL 1876 FEL	
43-047-37896	NBU 920-15C Sec 15 T09S R20E 0684 FNL 2181 FWL	
43-047-37897	NBU 920-21E Sec 21 T09S R20E 1851 FNL 0032 FWL	
43-047-37898	NBU 920-22A Sec 22 T09S R20E 0937 FNL 0584 FEL	
43-047-37899	NBU 920-27A Sec 27 T09S R20E 0579 FNL 0728 FEL	
43-047-37900	NBU 920-27G Sec 27 T09S R20E 1907 FNL 2023 FEL	
43-047-37901	NBU 920-27F Sec 27 T09S R20E 1888 FNL 2014 FWL	
43-047-37902	NBU 920-27C Sec 27 T09S R20E 0699 FNL 1937 FWL	
43-047-37903	NBU 920-27B Sec 27 T09S R20E 0934 FNL 1805 FEL	
43-047-37904	NBU 920-27D Sec 27 T09S R20E 0731 FNL 0971 FWL	
43-047-37905	NBU 920-27I Sec 27 T09S R20E 2152 FSL 0491 FEL	
43-047-37906	NBU 920-27H Sec 27 T09S R20E 2023 FNL 1089 FEL	

Page 2

Our records indicate the NBU 1021-24I and the 1021-24B are closer than 460 feet from uncommitted land within the Natural Butte Unit. The NBU 1021-25H is located **outside** of the Natural Buttes Unit and is closer than 460 feet from the Unit Boundary.

We have no objections to permitting the wells so long as the unit operator receives an exception to the locating and siting requirements of the State of Utah (R649-3-2).

/s/ Michael L. Coulthard

bcc: File – Natural Buttes Unit  
Division of Oil Gas and Mining  
Central Files  
Agr. Sec. Chron  
Fluid Chron



**KERR-McGEE OIL & GAS ONSHORE LP**  
1999 BROADWAY, SUITE 3700 • DENVER, COLORADO 80202

PHONE: 303-296-3600  
FAX: 303-296-3601

February 16, 2006

Ms. Diana Whitney  
Division of Oil, Gas and Mining  
P.O. Box 145801  
Salt Lake City, UT 84114-6100

RE: NBU 1021-24I  
T10S-R21E  
Section 24: NESE  
2,272' FSL, 870' FEL  
Uintah County, Utah

Dear Ms. Whitney:

Kerr-McGee Oil & Gas Onshore LP, formerly known as Westport Oil and Gas Company, L.P., has submitted a permit to drill the captioned well to test the Wasatch and Mesaverde formations. The well is located at an exception location to State Rule 173-14 (NBU). The well location is less than 460' from the unit boundary. Kerr-McGee owns 100% of the leasehold in the offset lands and has no objection to the exception location.

Kerr-McGee requests your approval of this exception location. If you have any questions or require any additional information, please do not hesitate to call me at 720-264-2618.

Sincerely,

W. Chris Latimer, CPL  
Senior Landman

cc: Raleen Weddle

RECEIVED  
FEB 21 2006

DIV. OF OIL, GAS & MINING

NBU #1021-24I  
NE/SE Sec. 24, T10S, R21E  
UINTAH COUNTY, UTAH  
UTU-015630-A

ONSHORE ORDER NO. 1

***DRILLING PROGRAM***

1. **Estimated Tops of Important Geologic Markers:**

<u>Formation</u>	<u>Depth</u>
Uinta	0- Surface
Green River	1100'
Wasatch	4300'
Mesaverde	6800'
TD	9050'

2. **Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:**

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
	Green River	1100'
Gas	Wasatch	4300'
Gas	Mesaverde	6800'
Water	N/A	
Other Minerals	N/A	

3. **Pressure Control Equipment** (Schematic Attached)

*Please see the Natural Buttes Unit Standard Operating Procedure (SOP).*

4. **Proposed Casing & Cementing Program:**

*Please see the Natural Buttes Unit SOP.*

5. **Drilling Fluids Program:**

*Please see the Natural Buttes Unit SOP.*

6. **Evaluation Program:**

*Please see the Natural Buttes Unit SOP.*

7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure calculated at 9050' TD, approximately equals 5611 psi (calculated at 0.62 psi/foot).

Maximum anticipated surface pressure equals approximately 3620 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. **Anticipated Starting Dates:**

*Drilling is planned to commence immediately upon approval of this application.*

9. **Variances:**

*Please see Natural Buttes Unit SOP.*

10. **Other Information:**

*Please see Natural Buttes Unit SOP.*

**KERR-McGEE OIL & GAS ONSHORE LP**  
**DRILLING PROGRAM**

COMPANY NAME	KERR-McGEE OIL & GAS ONSHORE LP	DATE	March 7, 2006	
WELL NAME	<b>NBU 1021-24I</b>	TD	9,050'	MD/TVD
FIELD	Natural Buttes	COUNTY	Uintah	STATE Utah
		ELEVATION	5,322' GL	KB 5,337'
SURFACE LOCATION	NESE SECTION 24-T10S-R21E 2272'FSL & 870'FEL			BHL Straight Hole
	Latitude: 39.932378	Longitude: 109.493289		
OBJECTIVE ZONE(S)	Wasatch/Mesaverde			
ADDITIONAL INFO	Regulatory Agencies: BLM (surface/minerals), UDOGM, Tri-County Health Dept.			

[illegible]





# KERR-McGEE OIL & GAS ONSHORE LP DRILLING PROGRAM

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS		
						BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'				2270	1370	254000
SURFACE	9-5/8"	0 to 2000	32.30	H-40	STC	0.66*****	1.58	4.49
						7780	6350	201000
PRODUCTION	4-1/2"	0 to 9050	11.60	M-80 or I-80	LTC	2.27	1.17	2.19

- 1) Max Anticipated Surf. Press. (MASP) (Surface Casing) = (Pore Pressure at next csg point - (0.22 psi/ft-partial evac gradient x TVD of next csg point))
- 2) MASP (Prod Casing) = Pore Pressure at TD - (.22 psi/ft-partial evac gradient x TD)
- (Burst Assumptions: TD = 11.5 ppg) .22 psi/ft = gradient for partially evac wellbore
- (Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing\*Buoy.Fact. of water)
- MASP 3421 psi
- \*\*\*\*\* Burst SF is low but csg is much stronger than formation at 2000'. EMW @ 2000' for 2270# is 21.8 ppg or 1.13 psi/ft

## CEMENT PROGRAM

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE Option 1	LEAD	500	Premium cmt + 2% CaCl + .25 pps flocele	215	60%	15.60	1.18
	TOP OUT CMT (1)	200	20 gals sodium silicate + Premium cmt + 2% CaCl + .25 pps flocele	50		15.60	1.18
	TOP OUT CMT (2)	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
NOTE: If well will circulate water to surface, option 2 will be utilized							
SURFACE Option 2	LEAD	1500	Prem cmt + 16% Gel + 10 pps gilsonite + .25 pps Flocele + 3% salt BWOC	170	35%	11.00	3.82
	TAIL	500	Premium cmt + 2% CaCl + .25 pps flocele	180	35%	15.60	1.18
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
PRODUCTION	LEAD	3,800'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	400	60%	11.00	3.38
	TAIL	5,250'	50/50 Poz/G + 10% salt + 2% gel	1470	60%	14.30	1.31

\*Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained

\*Substitute caliper hole volume plus 15% excess for TAIL if accurate caliper is obtained

## FLOAT EQUIPMENT & CENTRALIZERS

SURFACE	Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe.
PRODUCTION	Float shoe, 1 jt, float collar. Centralize first 3 joints & every third joint to top of tail cement with bow spring centralizers.

## ADDITIONAL INFORMATION

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.

BOPE: 11" 5M with one annular and 2 rams. Test to 5,000 psi (annular to 2,500 psi) prior to drilling out. Record on chart recorder & tour sheet. Function test rams on each trip. Maintain safety valve & inside BOP on rig floor at all times. Kelly to be equipped with upper & lower kelly valves.

Drop Totco surveys every 2000'. Maximum allowable hole angle is 5 degrees.

Most rigs have PVT Systems for mud monitoring. If no PVT is available, visual monitoring will be utilized.

DRILLING ENGINEER:

Brad Laney

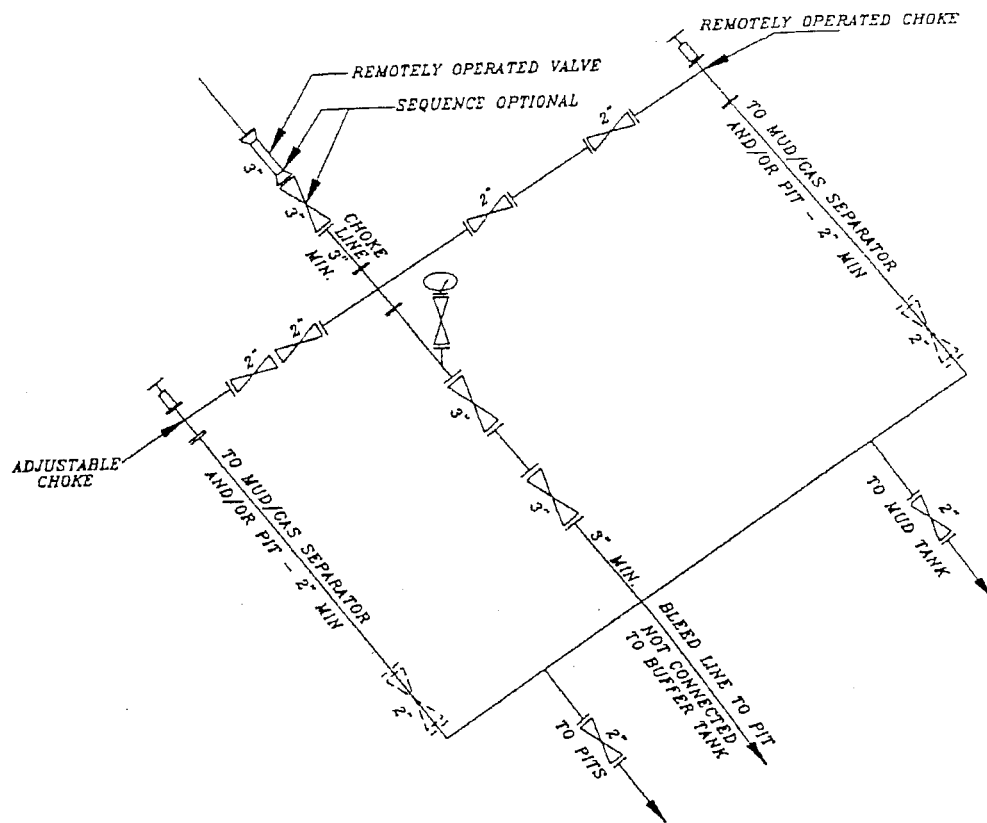
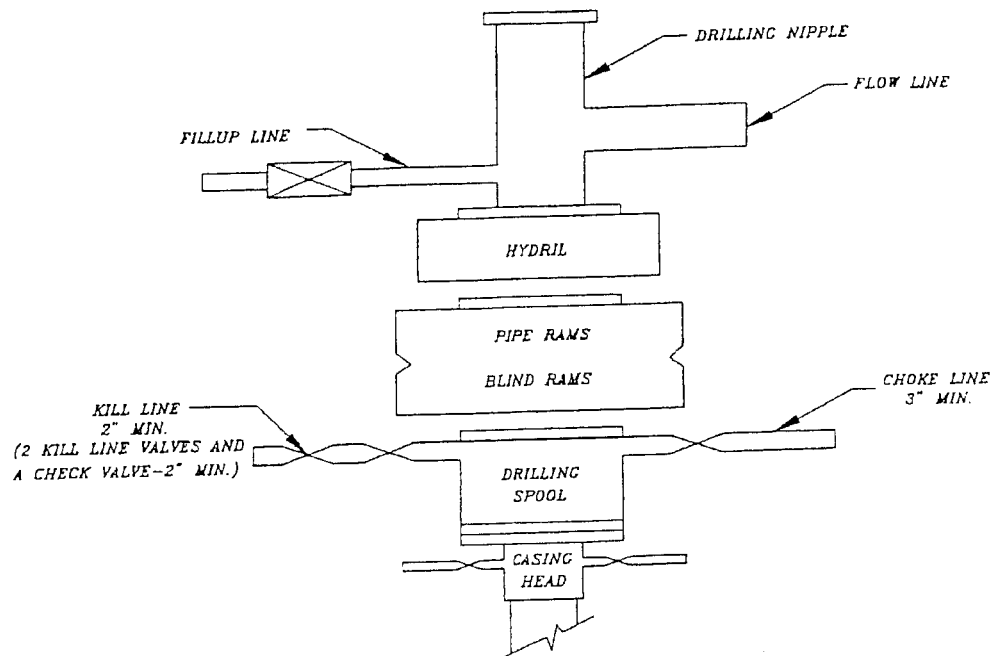
DATE: \_\_\_\_\_

DRILLING SUPERINTENDENT:

Randy Bayne

DATE: \_\_\_\_\_

# 5M BOP STACK and CHOKE MANIFOLD SYSTEM



**NBU 1021-24I  
NESE SEC 24-T10S-R21E  
UINTAH COUNTY, UTAH  
UTU-015630-A**

**ONSHORE ORDER NO. 1**

***MULTI-POINT SURFACE USE & OPERATIONS PLAN***

An onsite inspection was conducted for the NBU 1021-24I on 03/02/06 for the subject well.

**1. Existing Roads:**

Refer to the attached location directions.

**A paleontologist shall be present to monitor construction.**

Refer to Topo Maps A and B for location of access roads within a 2-mile radius.

**2. Planned Access Roads:**

*Please see the Natural Buttes Unit Standard Operating Procedure (SOP).*

Approximately 0.15 +/- miles of new access road is proposed. Refer to Topo Map B.

**3. Location of Existing Wells Within a 1-Mile Radius:**

Please refer to Topo Map C.

**4. Location of Existing & Proposed Facilities:**

*Please see the Natural Buttes Unit SOP.*

Low Profile Tanks (10') Shall be installed as discussed at the on-site inspection.

Refer to Topo Map D for the location of the proposed pipelines.

**Variances to Best Management Practices (BMPs) Requested:**

Approximately 400' +/- of 4" 2 steel pipelines will be installed on surface within the access corridor for the well location. As a Best Management Practice (BMP), the pipeline would be buried within the access road corridor if possible. The construction of pipelines requires the corridor of 30 feet.

This exception to the BMP should be granted by the BLM Authorized Officer because indurated bedrock, such as sandstone, is at or within 2 feet of the surface and the soil has a poor history for successful rehabilitation.

All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The requested color is Carlsbad Canyon Brown (2.5Y 6/2), a non-reflective earthtone.

5. **Location and Type of Water Supply:**

*Please see the Natural Buttes SOP.*

6. **Source of Construction Materials:**

*Please see the Natural Buttes SOP.*

7. **Methods of Handling Waste Materials:**

*Please see the Natural Buttes SOP.*

Any produced water from the proposed well will be contained in a water tank and will then be hauled by truck to one of the pre-approved disposal sites: RNI, Sec. 5, T9S, R22E, NBU #159, Sec. 35, T9S R21E, Ace Oilfield, Sec. 2, T6S, R20E, MC&MC, Sec. 12, T6S, R19E (*Request is in lieu of filing Form 3160-5, after initial production*).

8. **Ancillary Facilities:**

*Please see the Natural Buttes SOP.*

9. **Well Site Layout:** (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

Please see the attached diagram to describe rig orientation, parking areas, and access roads.

As per previous onsite discussion, a 20 mil reserve pit liner with felt will be used.

Location size may change prior to the drilling of the well due to the current rig availability. If the proposed location is not large enough to accommodate the drilling rig. The location will be re-surveyed and a form 3160-5 will be submitted.

10. **Plans for Reclamation of the Surface:**

*Please see the Natural Buttes SOP.*

When the pit is backfilled, the topsoil pile shall be spread on the location up to the rig anchor points. The location will be reshaped to the original contour to the extent possible. The following seed mixture will be used to reclaim the surface for interim reclamation using appropriate reclamation methods. A total of 12 lbs/acre will be used if the seeds are drilled (24 lbs/acre if the seeds are broadcast). The per acre requirements for **drilled** seed are:

Crested Wheat Grass	4 lbs.
Needle and Thread Grass	4 lbs.
Indian Rice Grass	4 lbs.

Operator shall call the BLM for the seed mixture when final reclamation occurs.

11. **Surface Ownership:**

The well pad and access road are located on lands owned by:

United States of America  
Bureau of Land Management  
170 South 500 East  
Vernal, UT 84078  
(435)781-4400

12. **Stipulations:**

**Critical Soils:** No Construction When Wet.

**Wildlife Stipulations:**

**ANTELOPE STIPULATIONS:** No construction or drilling from May 15<sup>th</sup> through June 20<sup>th</sup>.

**GOLDEN EAGLE STIPULATIONS:** No construction or drilling from February 1<sup>st</sup> through July 15<sup>th</sup>.

13. **Other Information:**

A Class III archaeological survey and a paleontological survey have been performed and will be filed when received.

This location is not within 460' from the boundary of the Natural Buttes Unit, nor is it within 460' of any non-committed tract lying within the boundaries of the Unit.

13. **Lessee's or Operator's Representative & Certification:**

Sheila Upchego  
Regulatory Analyst  
Kerr-McGee Oil & Gas Onshore LP  
1368 South 1200 East  
Vernal, UT 84078  
(435) 781-7024

Randy Bayne  
Drilling Manager  
Kerr-McGee Oil & Gas Onshore LP  
1368 South 1200 East  
Vernal, UT 84078  
(435) 781-7018

Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

Kerr-McGee Oil & Gas Onshore LP is considered to be the operator of the subject well. Kerr-McGee Oil & Gas Onshore LP agrees to be responsible under the terms and conditions of the lease for the operations conducted upon leased lands.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by BLM Nationwide Bond #CO-1203.

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by the Operator, its contractors, and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

  
Sheila Upchego

3/7/2006  
Date

Kerr-McGee Oil & Gas Onshore LP  
NBU #1021-24I  
SECTION 24, T10S, R21E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 11.2 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 8.1 MILES BEGINNING OF THE PROPOSED ACCESS TO THE SOUTHWEST; FOLLOW ROAD FLAGS IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.15 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 50.45 MILES.

# Kerr-McGee Oil & Gas Onshore LP

NBU #1021-24I  
LOCATED IN UINTAH COUNTY, UTAH  
SECTION 24, T10S, R21E, S.L.B.&M.

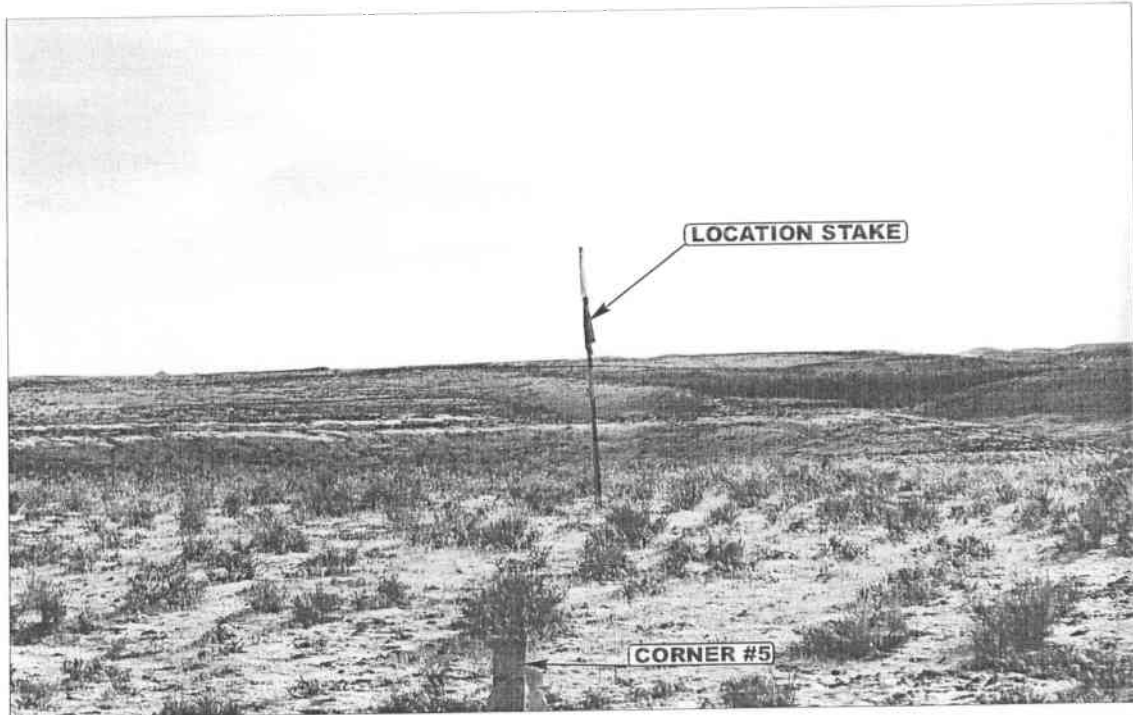


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHEASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHWESTERLY



Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

12 09 05  
MONTH DAY YEAR

PHOTO

TAKEN BY: P.J.

DRAWN BY: C.P.

REVISED: 01-15-06



# Kerr-McGee Oil & Gas Onshore LP

NBU #1021-24I

PIPELINE ALIGNMENT

LOCATED IN UINTAH COUNTY, UTAH

SECTION 24, T10S, R21E, S.L.B.&M.



PHOTO: VIEW FROM TIE-IN POINT

CAMERA ANGLE: EASTERLY

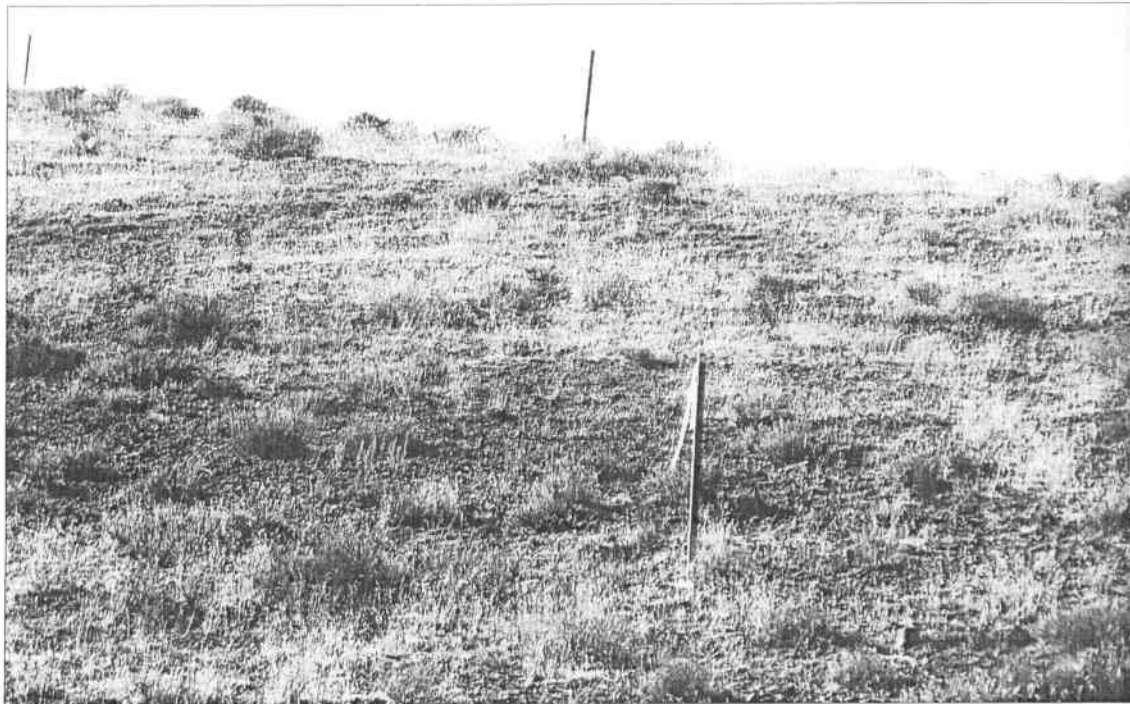


PHOTO: VIEW OF PIPELINE ALIGNMENT

CAMERA ANGLE: EASTERLY



- Since 1964 -

**UELS** Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
435-789-1017 uels@uelsinc.com

PIPELINE PHOTOS

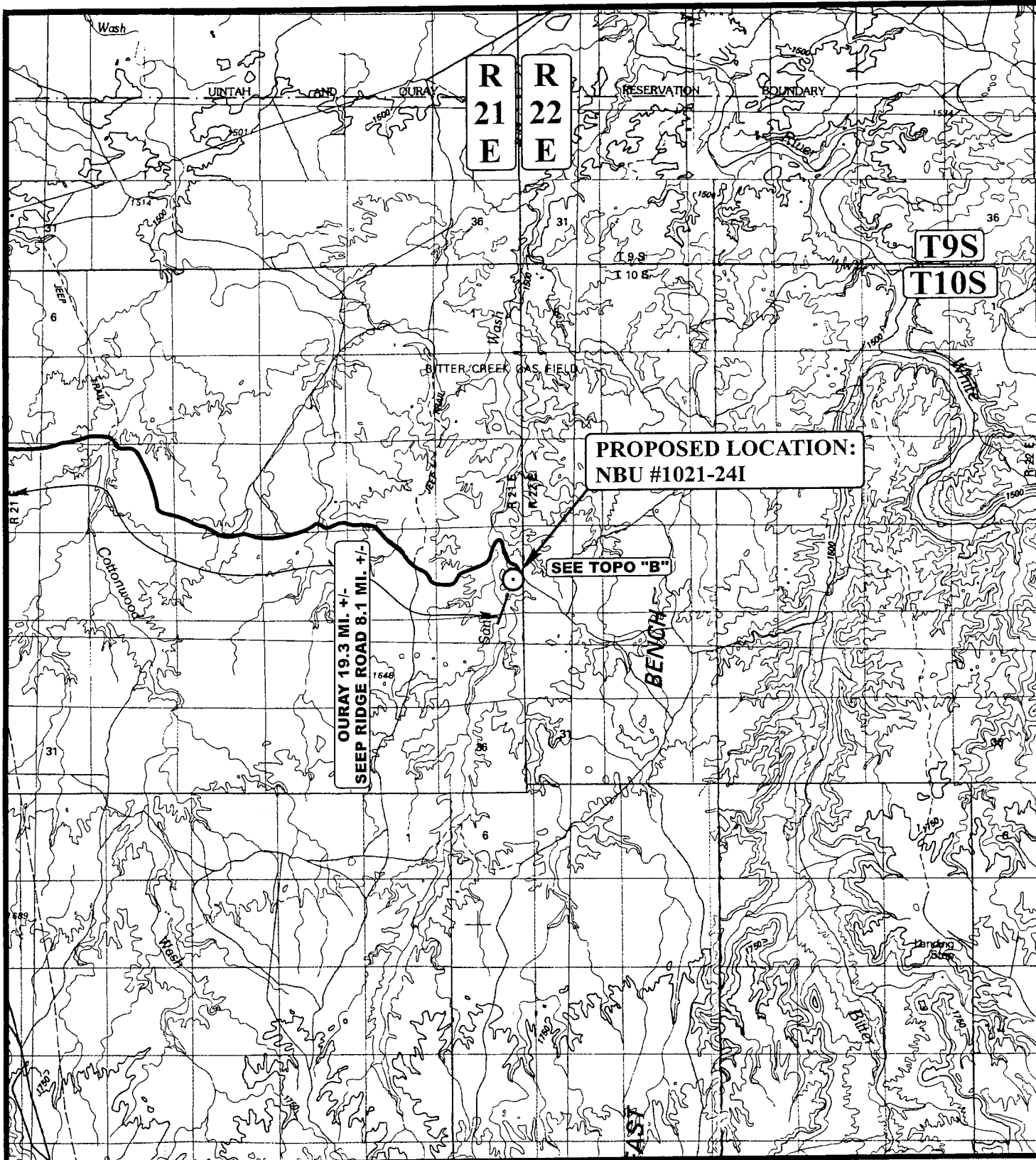
12 09 05  
MONTH DAY YEAR

PHOTO

TAKEN BY: P.J.

DRAWN BY: C.P.

REVISED: 01-15-06



# **LEGEND:**

○ PROPOSED LOCATION

**Kerr-McGee Oil & Gas Onshore LP**

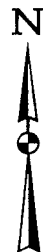
NBU #1021-24I

SECTION 24, T10S, R21E, S.L.B.&M.

2272' FSL 870' FEL



Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

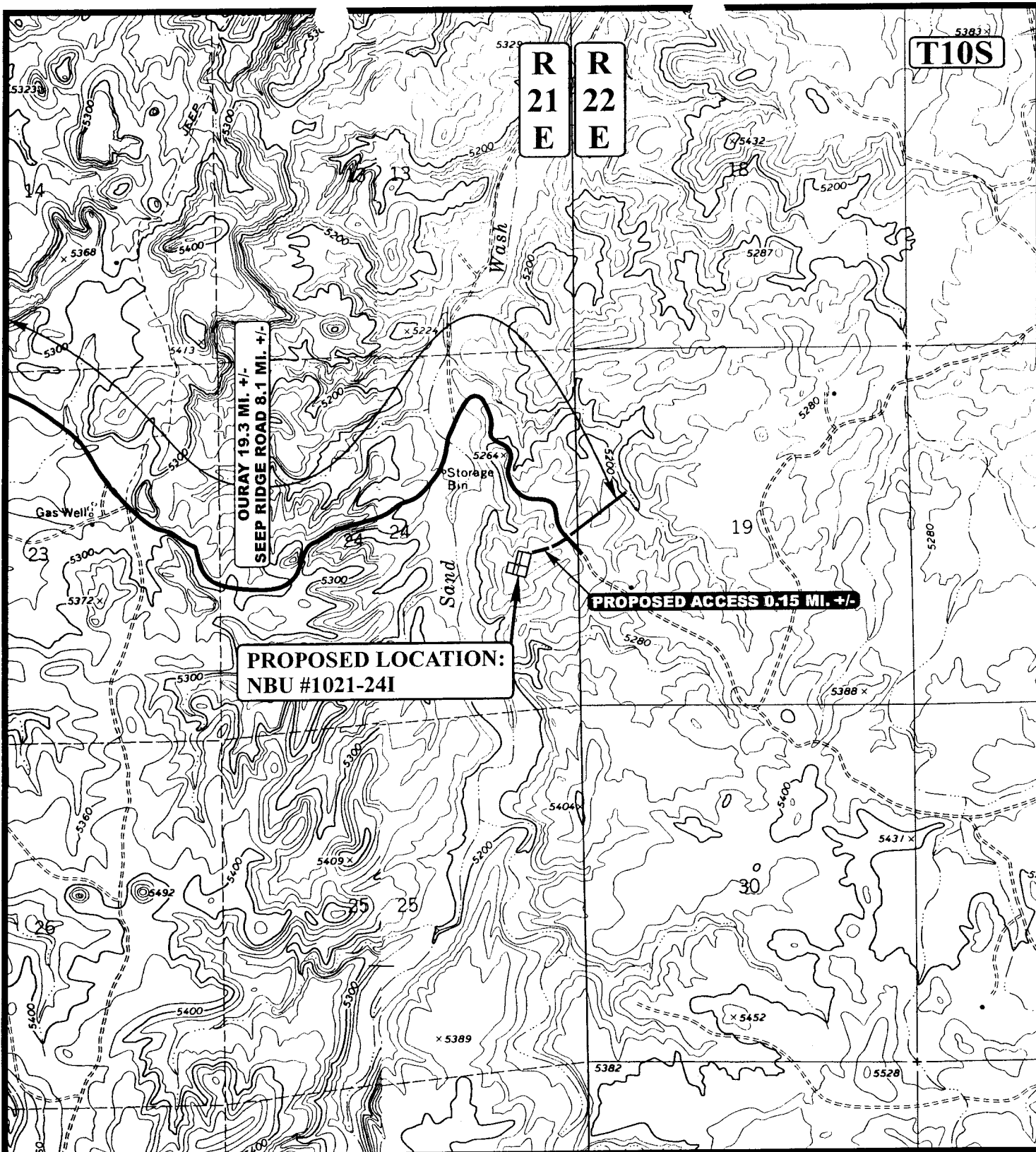


TOPOGRAPHIC  
MAP

12	09	05
MONTH	DAY	YEAR

SCALE: 1:100,000 DRAWN BY: C.P. REVISED: 01-15-06

**A**  
TOPO



# **LEGEND:**

————— EXISTING ROAD  
 - - - - - PROPOSED ACCESS ROAD

**Kerr-McGee Oil & Gas Onshore LP**

**NBU #1021-24I**

**SECTION 24, T10S, R21E, S.L.B.&M.**

**2272' FSL 870' FEL**



**Utah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813



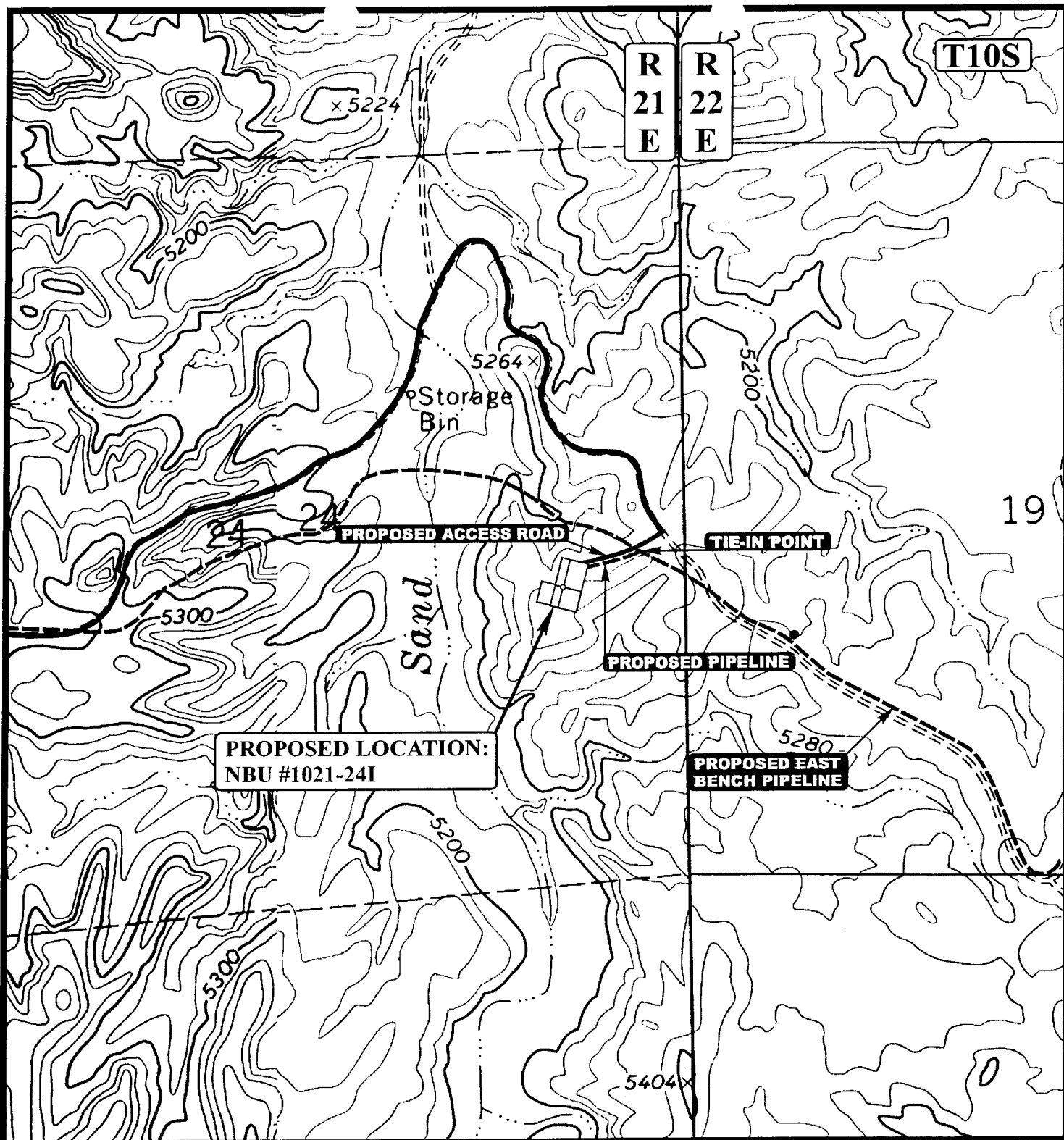
**TOPOGRAPHIC  
 MAP**

<b>12</b>	<b>09</b>	<b>05</b>
MONTH	DAY	YEAR

**SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 01-15-06**

**B  
 TOPO**





APPROXIMATE TOTAL PIPELINE DISTANCE = 400' +/-

#### LEGEND:

- PROPOSED ACCESS ROAD
- - - PROPOSED PIPELINE
- - - PROPOSED PIPELINE (SERVICING OTHER WELLS)

N

Kerr-McGee Oil & Gas Onshore LP

NBU #1021-24I

SECTION 24, T10S, R21E, S.L.B.&M.

2272' FSL 870' FEL



Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

TOPOGRAPHIC  
MAP

12	09	05
MONTH	DAY	YEAR

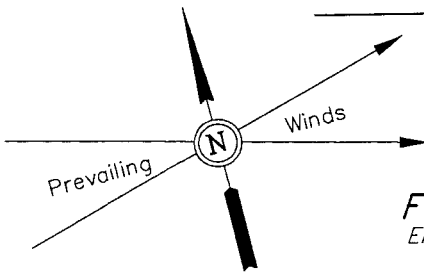
SCALE: 1" = 1000' DRAWN BY: C.P. REVISED: 01-15-06

**D**  
TOPO



LOCATION LAYOUT FOR

NBU #1021-241  
SECTION 24, T10S, R21E, S.L.B.&M.  
2272' FSL 870' FEL



Approx.  
Toe of  
Fill Slope

Proposed Access  
Road

C-0.6'  
El. 318.4'

F-13.6'  
El. 304.2'

Sta. 3+50

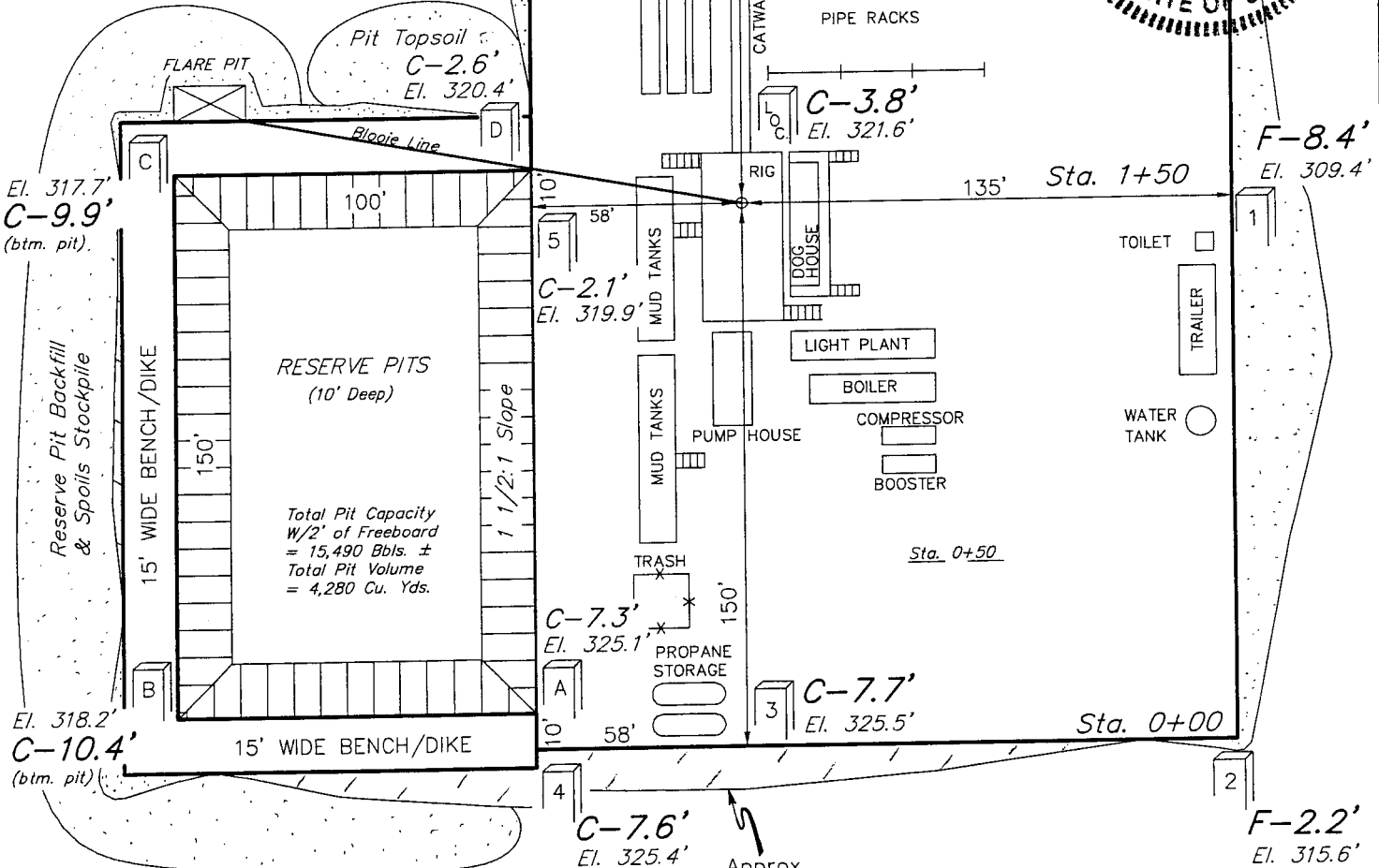
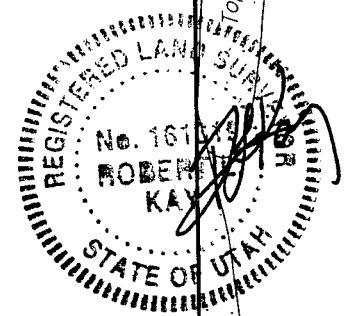
F-6.6'  
El. 311.2'

Round Corner  
as Needed

SCALE: 1" = 50'  
DATE: 12-10-05  
Drawn By: P.M.  
Revised: 01-14-06

NOTE:

Flare Pit is to be located  
a min. of 100' from the  
Well Head.



NOTES:

Elev. Ungraded Ground At Loc. Stake = 5321.6'  
FINISHED GRADE ELEV. AT LOC. STAKE = 5317.8'

UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East \* Vernal, Utah 84078 \* (435) 789-1017

## TYPICAL CROSS SECTIONS FOR

NBU #1021-24I

SECTION 24, T10S, R21E, S.L.B.&amp;M.

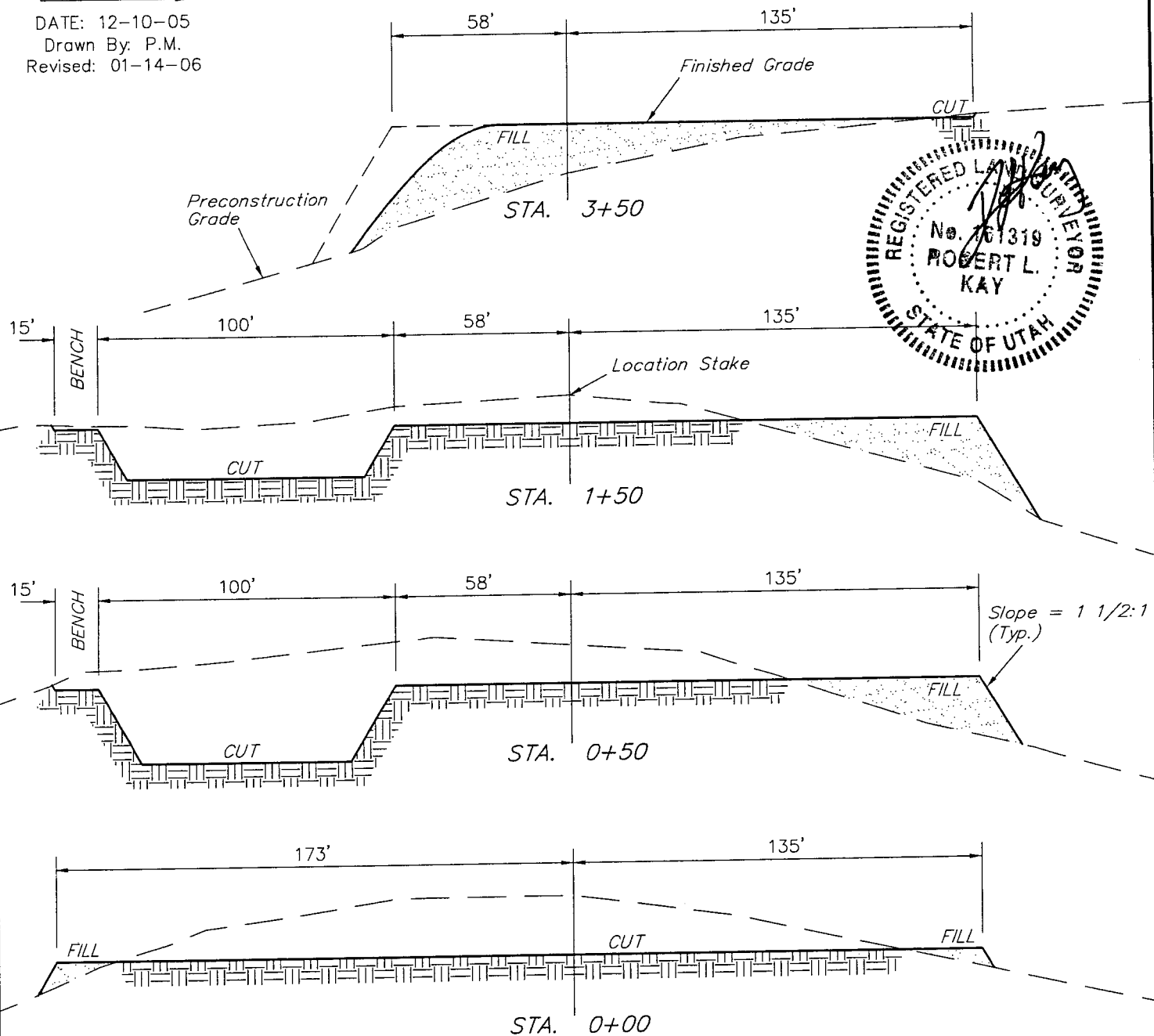
2272' FSL 870' FEL

1" = 20'  
X-Section  
Scale  
1" = 50'

DATE: 12-10-05

Drawn By: P.M.

Revised: 01-14-06



\* NOTE:  
FILL QUANTITY INCLUDES  
5% FOR COMPACTION

## APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,910 Cu. Yds.
Remaining Location	= 9,150 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 11,060 CU.YDS.</b>
<b>FILL</b>	<b>= 7,010 CU.YDS.</b>

EXCESS MATERIAL	= 4,050 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 4,050 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East \* Vernal, Utah 84078 \* (435) 789-1017

**WORKSHEET**  
**APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 03/10/2006

API NO. ASSIGNED: 43-047-37910

WELL NAME: NBU 1021-24I

OPERATOR: Kerr-McGEE ( N2995 )

PHONE NUMBER: 435-781-7024

CONTACT: SHEILA UPCHEGO

**PROPOSED LOCATION:**

NESE 24 100S 210E

SURFACE: 2272 FSL 0870 FEL

BOTTOM: 2272 FSL 0870 FEL

COUNTY: UINTAH

LATITUDE: 39.93235 LONGITUDE: -109.4925

UTM SURF EASTINGS: 628814 NORTHINGS: 4421126

FIELD NAME: NATURAL BUTTES ( 630 )

INSPECT LOCATN BY: / /

**Tech Review**

**Initials**

**Date**

Engineering

Geology

Surface

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-015630-A

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: WSMVD

COALBED METHANE WELL? NO

**RECEIVED AND/OR REVIEWED:**

☒ Plat

☒ Bond: Fed[1] Ind[] Sta[] Fee[]

(No. CO-1203 )

☒ Potash (Y/N)

☒ Oil Shale 190-5 (B) or 190-3 or 190-13

☒ Water Permit

(No. 43-8496 )

☒ RDCC Review (Y/N)

(Date: )

☒ Fee Surf Agreement (Y/N)

☒ Intent to Commingle (Y/N)

**LOCATION AND SITING:**

☐ R649-2-3.

Unit: NATURAL BUTTES

☐ R649-3-2. General

Siting: 460 From Qtr/Qtr & 920' Between Wells

☒ R649-3-3. Exception

☒ Drilling Unit

Board Cause No: 123-14

Eff Date: 12-2-99

Siting: 460' fr u bdr & 920' bwn. Tract

☐ R649-3-11. Directional Drill

COMMENTS:

Sep. Separate NW

STIPULATIONS:

1- Federal Approval  
2- OIL SHALE





Division of Oil, Gas and Mining  
**OPERATOR CHANGE WORKSHEET**

**ROUTING**

1. DJJ

2. CDW

**X Change of Operator (Well Sold)**

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:

**1/6/2006**

**FROM: (Old Operator):**

N2115-Westport Oil & Gas Co., LP  
 1368 South 1200 East  
 Vernal, UT 84078  
 Phone: 1-(435) 781-7024

**TO: ( New Operator):**

N2995-Kerr-McGee Oil & Gas Onshore, LP  
 1368 South 1200 East  
 Vernal, UT 84078  
 Phone: 1-(435) 781-7024

**CA No.**

**Unit:**

**NATURAL BUTTES UNIT**

**WELL NAME**

**SEC TWN RNG**

**API NO**

**ENTITY  
NO**

**LEASE  
TYPE**

**WELL  
TYPE**

**WELL  
STATUS**

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 5/10/2006
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 5/10/2006
3. The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 3/7/2006
- 4a. Is the new operator registered in the State of Utah: YES Business Number: 1355743-0181
- 4b. If **NO**, the operator was contacted on: \_\_\_\_\_
- 5a. (R649-9-2)Waste Management Plan has been received on: IN PLACE
- 5b. Inspections of LA PA state/fee well sites complete on: n/a 3 LA wells & all PA wells transferred
- 5c. Reports current for Production/Disposition & Sundries on: ok
6. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM 3/27/2006 BIA not yet
7. **Federal and Indian Units:**  
The BLM or BIA has approved the successor of unit operator for wells listed on: 3/27/2006
8. **Federal and Indian Communization Agreements ("CA"):**  
The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
9. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, Transfer of Authority to Inject, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: \_\_\_\_\_

**DATA ENTRY:**

1. Changes entered in the **Oil and Gas Database** on: 5/15/2006
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 5/15/2006
3. Bond information entered in RBDMS on: 5/15/2006
4. Fee/State wells attached to bond in RBDMS on: 5/16/2006
5. Injection Projects to new operator in RBDMS on: \_\_\_\_\_
6. Receipt of Acceptance of Drilling Procedures for APD/New on: n/a Name Change Only

**BOND VERIFICATION:**

1. Federal well(s) covered by Bond Number: CO1203
2. Indian well(s) covered by Bond Number: RLB0005239
3. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number RLB0005236
- a. The **FORMER** operator has requested a release of liability from their bond on: n/a rider added KMG
- The Division sent response by letter on: \_\_\_\_\_

**LEASE INTEREST OWNER NOTIFICATION:**

4. (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: 5/16/2006

**COMMENTS:**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

**SUNDRY NOTICES AND REPORTS ON WELLS**

**Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.**

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

**KERR-McGEE OIL & GAS ONSHORE LP**

3a. Address

**1368 SOUTH 1200 EAST VERNAL, UT 84078**

3b. Phone No. (include area code)

**(435) 781-7024**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**SEE ATTACHED**

5. Lease Serial No.

**MULTIPLE LEASES**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

**MUTIPLE WELLS**

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State

**UINTAH COUNTY, UTAH**

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

**TYPE OF SUBMISSION**

**TYPE OF ACTION**

☐ Notice of Intent

☒ Subsequent Report

☐ Final Abandonment Notice

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☒ Other **CHANGE OF OPERATOR**

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

PLEASE BE ADVISED THAT KERR-McGEE OIL & GAS ONSHORE LP, IS CONSIDERED TO BE THE OPERATOR OF THE ATTACHED WELL LOCATIONS. EFFECTIVE JANUARY 6, 2006.

KERR-McGEE OIL & GAS ONSHORE LP, IS RESPONSIBLE UNDER TERMS AND CONDITIONS OF THE LEASE(S) FOR THE OPERATIONS CONDUCTED UPON LEASE LANDS. BOND COVERAGE IS PROVIDED BY STATE OF UTAH NATIONWIDE BOND NO. RLB0005237.

**RECEIVED**

**MAY 10 2006**

DIV. OF OIL, GAS & MINING

**BLM BOND = C01203**

**BIA BOND = RLB0005237**

**APPROVED 5/16/06**

**Earlene Russell**  
Division of Oil, Gas and Mining  
**Earlene Russell, Engineering Technician**

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

**RANDY BAYNE**

Title

**DRILLING MANAGER**

Signature

Date

**May 9, 2006**

**THIS SPACE FOR FEDERAL OR STATE USE**

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

5. Lease Serial No.

MULTIPLE LEASES

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

MUTIPLE WELLS

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State

UINTAH COUNTY, UTAH

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

WESTPORT OIL & GAS COMPANY L.P.

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SEE ATTACHED

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other CHANGE OF OPERATOR
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

EFFECTIVE JANUARY 6, 2006, WESTPORT OIL & GAS COMPANY L.P., HAS RELINQUISHED THE OPERATORSHIP OF THE ATTACHED WELL LOCATIONS TO KERR-McGEE OIL & GAS ONSHORE LP.

APPROVED 5/16/06

Earlene Russell  
Division of Oil, Gas and Mining  
Earlene Russell, Engineering Technician

RECEIVED

MAY 10 2006

DIV OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

BRAD LANEY

Signature

Title

ENGINEERING SPECIALIST

Date

May 9, 2006

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Brad Laney

Title

Office

Date

5-9-06

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)



## United States Department of the Interior

BUREAU OF LAND MANAGEMENT  
Colorado State Office  
2850 Youngfield Street  
Lakewood, Colorado 80215-7076

IN REPLY REFER TO:

CO922 (MM)  
3106  
COC017387 et. al.

March 23, 2006

### NOTICE

Kerr-McGee Oil & Gas Onshore L.P. :  
1999 Broadway, Suite 3700 : Oil & Gas  
Denver, CO 80202 :

#### Merger/Name Change - Recognized

On February 28, 2006 this office received acceptable evidence of the following mergers and name conversion:

Kerr-McGee Oil & Gas Onshore L.P., a Delaware Limited Partnership, and Kerr-McGee Oil & Gas Onshore LLC, a Delaware Limited Partnership merger with and into Westport Oil and Gas Company L.P., a Delaware Limited Partnership, and subsequent Westport Oil & Gas Company L.P. name conversion to Kerr-McGee Oil & Gas Onshore L.P.

For our purposes the merger and name conversion was effective January 4, 2006, the date the Secretary of State of Delaware authenticated the mergers and name conversion.

Kerr-McGee Oil & Gas Onshore L.P. provided a list of oil and gas leases held by the merging parties with the request that the Bureau of Land Management change all their lease records from the named entities to the new entity, Kerr-McGee Oil & Gas Onshore L.P. In response to this request each state is asked to retrieve their own list of leases in the names of these entities from the Bureau of Land Management's (BLM) automated LR2000 data base.

The oil and gas lease files identified on the list provided by Kerr-McGee Oil & Gas Onshore L.P. have been updated as to the merger and name conversion. We have not abstracted the lease files to determine if the entities affected by the acceptance of these documents holds an interest in the lease, nor have we attempt to identify leases where the entity is the operator on the ground that maintains vested record title or operating rights interests. If additional documentation, for change of operator, is required you will be contacted directly by the appropriate Field Office. The Mineral Management Services (MMS) and other applicable BLM offices were notified of the merger with a copy of this notice

Please contact this office if you identify additional leases where the merging party maintains an interest, under our jurisdiction, and we will document the case files with a copy of this notice. If the leases are under the jurisdiction of another State Office that information will be forwarded to them for their action.

Three riders accompanied the merger/name conversion documents which will add Kerr-McGee Oil and Gas Onshore LLC as a principal to the 3 Kerr-McGee bonds maintained by the Wyoming State Office. These riders will be forward to them for their acceptance.

The Nationwide Oil & Gas Continental Casualty Company Bond #158626364 (BLM Bond #CO1203), maintained by the Colorado State Office, will remain in full force and effect until an assumption rider is accepted by the Wyoming State Office that conditions their Nationwide Safeco bond to accept all outstanding liability on the oil and gas leases attached to the Colorado bond.

If you have questions about this action you may call me at 303.239.3768.

/s/Martha L. Maxwell  
Martha L. Maxwell  
Land Law Examiner  
Fluid Minerals Adjudication

**Attachment:**

List of OG Leases to each of the following offices:

MMS MRM, MS 357B-1

WY, UT, NM/OK/TX, MT/ND, WY State Offices

CO Field Offices

Wyoming State Office

Rider #1 to Bond WY2357

Rider #2 to Bond WY1865

Rider #3 to Bond WY1127



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office  
P.O. Box 45155  
Salt Lake City, UT 84145-0155  
<http://www.blm.gov>



IN REPLY REFER TO:  
3106  
(UT-922)

March 27, 2006

### Memorandum

To: Vernal Field Office

From: Chief, Branch of Fluid Minerals

Subject: Merger Approval

Attached is an approved copy of the merger recognized by the Bureau of Land Management, Colorado State Office. We have updated our records to reflect the merger from Westport Oil and Gas Company L.P. into Kerr-McGee Onshore Oil and Gas Company. The merger was approved effective January 4, 2006.

Chief, Branch of  
Fluid Minerals

### Enclosure

Approval letter from BLM COSO (2 pp)

cc: MMS, Reference Data Branch, James Sykes, PO Box 25165, Denver CO 80225  
State of Utah, DOGM, Attn: Earlene Russell, PO Box 145801, SLC UT 84114  
Teresa Thompson  
Joe Incardine  
Connie Seare  
Dave Mascarenas  
Susan Bauman

RECEIVED

MAR 28 2006

UT. OF OIL, GAS & MIN. (BLM)



## State of Utah

### Department of Natural Resources

MICHAEL R. STYLER  
*Executive Director*

### Division of Oil, Gas & Mining

JOHN R. BAZA  
*Division Director*

JON M. HUNTSMAN, JR.  
*Governor*

GARY R. HERBERT  
*Lieutenant Governor*

May 19, 2006

Kerr-McGee Oil & Gas Onshore, LP  
1368 South 1200 East  
Vernal, UT 84078

Re: Natural Buttes Unit 1021-24I Well, 2272' FSL, 870' FEL, NE SE, Sec. 24,  
T. 10 South, R. 21 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-37910.

Sincerely,

Gil Hunt  
Associate Director

pab  
Enclosures

cc: Uintah County Assessor  
Bureau of Land Management, Vernal District Office



**Operator:** Kerr-McGee Oil & Gas Onshore, LP  
**Well Name & Number** Natural Buttes Unit 1021-24I  
**API Number:** 43-047-37910  
**Lease:** UTU-015630-A

**Location:** NE SE                      **Sec.** 24                      **T.** 10 South                      **R.** 21 East

### **Conditions of Approval**

**1. General**

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

**2. Notification Requirements**

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

**3. Reporting Requirements**

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.

5. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

**Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.**

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

5. Lease Serial No.  
**UTU-015630-A**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.  
**NATURAL BUTTES**

8. Well Name and No.  
**NBU 1021-241**

9. API Well No.  
**4304737910**

10. Field and Pool, or Exploratory Area  
**NATURAL BUTTES**

11. County or Parish, State  
**UINTAH, UTAH**

1. Type of Well  
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator  
**KERR MCGEE OIL AND GAS ONSHORE LP**

3a. Address  
**1368 SOUTH 1200 EAST, VERNAL, UTAH 84078**

3b. Phone No. (include area code)  
**435-781-7003**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**2272' FSL, 870' FEL  
NESE, SEC 24-T10S-R21E**

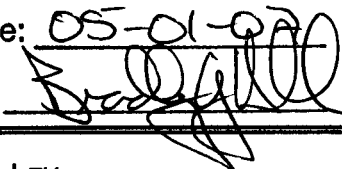
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other APD EXTENSION
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<b>DOGM</b>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.


THE OPERATOR REQUESTS AUTHORIZATION FOR A ONE YEAR EXTENSION FOR THE SUBJECT WELL LOCATION SO THAT THE DRILLING OPERATIONS MAY BE COMPLETED. THE ORIGINAL APD WAS APPROVED BY THE DIVISION OF OIL, GAS AND MINING BY THE 2006.

Utah Division of  
Oil, Gas and Mining

Date: **05-01-07**  
By: 

5.3.07  
RM

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) <b>RAMEY HOOPES</b>	Title <b>REGULATORY CLERK</b>
Signature 	Date <b>April 24, 2007</b>

THIS SPACE FOR FEDERAL OR STATE USE

Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

MAY 01 2007

DIV. OF OIL, GAS & MINING

**Application for Permit to Drill  
Request for Permit Extension  
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

**API:** 430473910  
**Well Name:** NBU 1021-24I  
**Location:** NESE, SEC 24-T10S-R21E  
**Company Permit Issued to:** KERR-MCGEE OIL AND GAS ONSHORE LP  
**Date Original Permit Issued:** 5/19/2006

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☒

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐

Ramey Hoopes  
Signature

4/24/2007

Date

Title: REGULATORY CLERK

Representing: KERR-MCGEE OIL AND GAS ONSHORE L

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED  
OMB No. 1004-0136  
Expires November 30, 2000

5. Lease Serial No.  
**UTU-015630-A**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.

**NATURAL BUTTES UNIT**

8. Lease Name and Well No.

**NBU 1021-241**

9. API Well No.

**43-047-37910**

10. Field and Pool, or Exploratory

**NATURAL BUTTES**

11. Sec., T., R., M., or Blk, and Survey or Area

**SECTION 24-T10S-R21E**

12. County or Parish

**UINTAH**

13. State

**UTAH**

1a. Type of Work: ☒ DRILL ☐ REENTER

b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☐ Single Zone ☒ Multiple Zone

2. Name of Operator

**KERR MCGEE OIL & GAS ONSHORE L.P.**

3A. Address

**1368 SOUTH 1200 EAST VERNAL, UT 84078**

3b. Phone No. (include area code)

**(435) 781-7024**

4. Location of Well (Report location clearly and in accordance with any State requirements. \*)

At surface **NESE 2272'FSL, 870'FEL**

At proposed prod. Zone

14. Distance in miles and direction from nearest town or post office\*

**27.55 MILES SOUTHEAST OF OURAY, UTAH**

15. Distance from proposed\*  
location to nearest  
property or lease line, ft.  
(Also to nearest drig. unit line, if any)

**870'**

16. No. of Acres in lease

**82.46**

17. Spacing Unit dedicated to this well

**40.00**

18. Distance from proposed location\*  
to nearest well, drilling, completed,  
applied for, on this lease, ft.

**REFER TO  
TOPO C**

19. Proposed Depth

**9050**

20. BLM/BIA Bond No. on file

**GO-4203**

**WYB000291**

21. Elevations (Show whether DF, KDB, RT, GL, etc.)

**5322'GL**

22. Approximate date work will start\*

**UPON APPROVAL**

23. Estimated duration

**TO BE DETERMINED**

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office.
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be required by the authorized office.

25. Signature



Title

**SENIOR LAND ADMIN SPECIALIST**

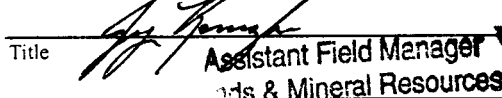
Name (Printed/Typed)

**SHEILA UPCHEGO**

Date

**7/11/2007**

Approved by (Signature)

  
**Assistant Field Manager**  
**Oil & Mineral Resources**

Title

Name (Printed/Typed)

**TERRY KENICKA**

Date

**7-16-2007**

Office

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

**CONDITIONS OF APPROVAL ATTACHED**

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*(Instructions on reverse)

NOTICE OF APPROVAL

RECEIVED

JUL 19 2007

DIV. OF OIL, GAS & MINING

UDOGM

NOS 2/1/06  
06 BM0845A



UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
VERNAL FIELD OFFICE

170 South 500 East

VERNAL, UT 84078

(435) 781-4400



**CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL**

Company: Kerr-McGee Oil & Gas Onshore, LP  
Well No: NBU 1021-24I  
API No: 43-047-37910

Location: NESE, Sec 24, T10S, R21E  
Lease No: UTU-015630-A  
Agreement: Natural Buttes Unit

Title	Name	Office Phone Number	Cell Phone Number
Petroleum Engineer:	Matt Baker	(435) 781-4490	(435) 828-4470
Petroleum Engineer:	Michael Lee	(435) 781-4432	(435) 828-7875
Petroleum Engineer:	James Ashley	(435) 781-4470	(435) 828-7874
Petroleum Engineer:	Ryan Angus	(435) 781-4430	(435) 828-7368
Supervisory Petroleum Technician:	Jamie Sparger	(435) 781-4502	(435) 828-3913
NRS/Enviro Scientist:	Paul Buhler	(435) 781-4475	(435) 828-4029
NRS/Enviro Scientist:	Karl Wright	(435) 781-4484	
NRS/Enviro Scientist:	Holly Villa	(435) 781-4404	
NRS/Enviro Scientist:	Chuck MacDonald	(435) 781-4441	(435) 828-7481
NRS/Enviro Scientist:	Jannice Cutler	(435) 781-3400	
NRS/Enviro Scientist:	Michael Cutler	(435) 781-3401	
NRS/Enviro Scientist:	Anna Figueroa	(435) 781-3407	
NRS/Enviro Scientist:	Verlyn Pindell	(435) 781-3402	
NRS/Enviro Scientist:	Darren Williams	(435) 781-4447	
NRS/Enviro Scientist:	Nathan Packer	(435) 781-3405	

Fax: (435) 781-4410

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR  
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.**

**NOTIFICATION REQUIREMENTS**

Location Construction (Notify Environmental Scientist)	-	Forty-Eight (48) hours prior to construction of location and access roads.
Location Completion (Notify Environmental Scientist)	-	Prior to moving on the drilling rig.
Spud Notice (Notify Petroleum Engineer)	-	Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to running casing and cementing all casing strings.
BOP & Related Equipment Tests (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to initiating pressure tests.
First Production Notice (Notify Petroleum Engineer)	-	Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

***SURFACE USE PROGRAM  
CONDITIONS OF APPROVAL (COAs)***

***Surface COAs:***

- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation may be necessary for the discovered paleontologic material before construction can continue.

***Site Specific COAs:***

- The lessee/operator is given notice that lands in the lease have been identified as containing crucial pronghorn. (antelope) habitat. It is requested that the lessee/operator not initiate surface disturbing activities or drilling from May 15 through June 20. A survey may be conducted by a qualified biologist or a BLM representative during this timing period to determine if pronghorn are in the area.
- Four to six inches of topsoil shall be stripped from the location and windrowed as shown on the cut sheet. The topsoil shall then be broadcast seeded with the recommended seed mix immediately after it has been windrowed and the seed walked into the soil with a dozer.
- The topsoil from the reserve pit shall be stripped and piled separately near the reserve pit. When the reserve pit is closed, it shall be re-contoured and the topsoil re-spread, and the area shall be seeded in the same manner as the location topsoil.
- Once the location is plugged and abandoned, it shall be re-contoured to natural contours, topsoil re-spread where appropriate, and the entire location seeded with the recommended seed mix. Seeding shall take place by broadcasting the seed and walking it into the soil with a dozer immediately after the dirt work is completed.
- The lessee/operator is given notice that lands in the lease have been identified as containing critical soils. It is requested that the lessee/operator not initiate surface disturbing activities or drilling from during wet or muddy conditions.

***DOWNHOLE CONDITIONS OF APPROVAL ( COAs)***

**SITE SPECIFIC DOWNHOLE COAs:**

A variance is granted for O.O. #2 III. E. 1.

- The blooie line shall be straight or have targeted tees for bends in the line.
- An automatic igniter or continuous pilot on the blooie line not required.
- If a mist system is used, the requirement for a deduster shall be waived.

**All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to.** The following items are emphasized:

**DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS**

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- **Cement baskets shall not be run on surface casing.**
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.

- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- Chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- **Please submit an electronic copy of all other logs run on this well in LAS format to UT\_VN\_Wellogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.



## **OPERATING REQUIREMENT REMINDERS:**

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
  - Operator name, address, and telephone number.
  - Well name and number.
  - Well location (1/4 1/4, Sec., Twn, Rng, and P.M.).
  - Date well was placed in a producing status (date of first production for which royalty will be paid).
  - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
  - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
  - Unit agreement and/or participating area name and number, if applicable.
  - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.

- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.
- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given before resumption of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.

- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

**SUNDRY NOTICES AND REPORTS ON WELLS**

**Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.**

**SUBMIT IN TRIPLICATE – Other instructions on reverse side**

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

**KERR MCGEE OIL AND GAS ONSHORE, LP**

3a. Address

**1368 SOUTH 1200 EAST, VERNAL, UTAH 84078**

3b. Phone No. (include area code)

**435-781-7024**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**NE/SE SEC. 24, T10S, R21E 2272'FSL, 870'FEL**

5. Lease Serial No.

**UTU-015630-A**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

**UNIT #891008900A**

**NATURAL BUTTES UNIT**

8. Well Name and No.

**NBU 1021-24I**

9. API Well No.

**4304737910**

10. Field and Pool, or Exploratory Area

**NATURAL BUTTES**

11. County or Parish, State

**UINTAH, UTAH**

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other APD EXTENSION
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<b>DOGM</b>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

THE OPERATOR REQUESTS AUTHORIZATION FOR A ONE YEAR EXTENSION FOR THE SUBJECT WELL LOCATION SO THAT THE DRILLING OPERATIONS MAY BE COMPLETED. THE ORIGINAL APD WAS APPROVED BY THE DIVISION OF OIL, GAS AND MINING ON MAY 19, 2006

**COPY SENT TO OPERATOR**

**Date: 5-21-2008**

**Initials: KS**

**Approved by the  
Utah Division of  
Oil, Gas and Mining**

**RECEIVED**

**MAY 19 2008**

**Date: 05-20-08**

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

**SHEILA UPCHEGO**

By:

**SENIOR LAND ADMIN SPECIALIST**

Signature

Date

**May 15, 2008**

**THIS SPACE FOR FEDERAL OR STATE USE**

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**Application for Permit to Drill  
Request for Permit Extension  
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

**API:** 4304737910  
**Well Name:** NBU 1021-24I  
**Location:** NE/SE SEC. 24, T10S, R21E  
**Company Permit Issued to:** KERR McGEE OIL & GAS ONSHORE LP  
**Date Original Permit Issued:** 5/19/2006

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☒

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐

  
Signature

5/15/2008

Date

Title: SENOIR LAND ADMIN SPECIALIST

Representing: KERR-McGEE OIL & GAS ONSHORE LP

RECEIVED

MAY 19 2008

DIV. OF OIL, GAS & MINING

## DIVISION OF OIL, GAS AND MINING

### SPUDDING INFORMATION

Name of Company: KERR-McGEE OIL & GAS ONSHORE, L.P.

Well Name: NBU 1021-24I

Api No: 43-047-37910 Lease Type: FEDERAL

Section 24 Township 10S Range 21E County UINTAH

Drilling Contractor PETE MARTIN DRLG RIG # BUCKET

### SPUDDED:

Date 07/25/08

Time 1:30 AM

How DRY

**Drilling will Commence:** \_\_\_\_\_

Reported by LEW WELDON

Telephone # (435) 828-7035

Date 07/28/08 Signed CHD

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 6

**ENTITY ACTION FORM**

Operator: KERR MCGEE OIL & GAS ONSHORE LP Operator Account Number: N 2995  
Address: 1368 SOUTH 1200 EAST  
city VERNAL  
state UT zip 84078 Phone Number: (435) 781-7024

**Well 1**

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304737904	NBU 920-27D		NWNW	27	9S	20E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<u>B</u>	99999	<u>2900</u>	7/24/2008		<u>7/31/08</u>		
<b>Comments:</b> MIRU PETE MARTIN BUCKET RIG. <u>WSMVD</u> SPUD WELL LOCATION ON 07/24/2008 AT 2000 HRS.							

**Well 2**

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304737910	NBU 1021-24I		NESE	24	10S	21E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<u>B</u>	99999	<u>2900</u>	7/25/2008		<u>7/31/08</u>		
<b>Comments:</b> MIRU PETE MARTIN BUCKET RIG. <u>WSMVD</u> SPUD WELL LOCATION ON 07/25/2008 AT 0130 HRS.							

**Well 3**

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304739763	BITTER CREEK 1122-6N		SESW	6	11S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<u>A</u>	99999	<u>16986</u>	7/25/2008		<u>7/31/08</u>		
<b>Comments:</b> MIRU PETE MARTIN BUCKET RIG. <u>WSMVD</u> SPUD WELL LOCATION ON 07/25/2008 AT 1000 HRS							

**ACTION CODES:**

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

**RECEIVED**  
**JUL 28 2008**

SHEILA UPCHEGO

Name (Please Print)

Signature

REGULATORY ANALYST

Title

7/25/2008

Date

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

**SUNDRY NOTICES AND REPORTS ON WELLS**

***Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.***

***SUBMIT IN TRIPLICATE – Other instructions on reverse side***

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

**KERR-McGEE OIL & GAS ONSHORE LP**

3a. Address

**1368 SOUTH 1200 EAST VERNAL, UT 84078**

3b. Phone No. (include area code)

**(435) 781-7024**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**NE/SE SEC. 24, T10S, R21E 2272'FSL, 870'FEL**

5. Lease Serial No.

**UTU-015630-A**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

**UNIT 891008900A**

**NATURAL BUTTES UNIT**

8. Well Name and No.

**NBU 1021-24I**

9. API Well No.

**4304737910**

10. Field and Pool, or Exploratory Area

**NATURAL BUTTES**

11. County or Parish, State

**UINTAH COUNTY, UTAH**

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <b>WELL SPUD</b>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

**MIRU PETE MARTIN BUCKET RIG. DRILLED 20" CONDUCTOR HOLE TO 40'. RAN 14" 36.7# SCHEDULE 10 PIPE. CMT W/28 SX READY MIX**

**SPUD WELL LOCATION ON 07/25/2008 AT 0130 HRS.**

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

**SHEILAUPCHEGO**

Title

**REGULATORY ANALYST**

Signature

Date

**July 25, 2008**

**THIS SPACE FOR FEDERAL OR STATE USE**

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

**RECEIVED**

**JUL 31 2008**

**DIV. OF OIL, GAS & MINING**



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

**SUNDRY NOTICES AND REPORTS ON WELLS**

***Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.***

***SUBMIT IN TRIPLICATE – Other instructions on reverse side***

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. UTU-015630-A
2. Name of Operator KERR-McGEE OIL & GAS ONSHORE LP		6. If Indian, Allottee or Tribe Name
3a. Address 1368 SOUTH 1200 EAST VERNAL, UT 84078	3b. Phone No. (include area code) (435) 781-7024	7. If Unit or CA/Agreement, Name and/or No. UNIT 891008900A NATURAL BUTTES UNIT
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) NE/SE SEC. 24, T10S, R21E 2272'FSL, 870'FEL		8. Well Name and No. NBU 1021-24I
		9. API Well No. 4304737910
		10. Field and Pool, or Exploratory Area NATURAL BUTTES
		11. County or Parish, State UINTAH COUNTY, UTAH

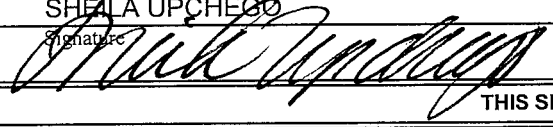
**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other SET SURFACE
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	CSG
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

MIRU PROPETRO AIR RIG ON 08/02/2008. DRILLED 12 1/4" SURFACE HOLE TO 2070'. RAN 9 5/8" 36# J-55 SURFACE CSG. LEAD CMT W/300 SX PREM CLASS G @15.8 PPG 1.15 YIELD. NO RETURNS TO PIT 110 PSI LIFT. TOP OUT W/200 SX PREM CLASS G @15.8 PPG 1.15 YIELD. DOWN BACKSIDE. 2ND TOP OUT W/325 SX PREM CLASS G @15.8 PPG 1.15 YIELD. DOWN BACKSIDE GOOD CMT TO SURFACE HOLE STAYED FULL.

WORT.

14. I hereby certify that the foregoing is true and correct	
Name (Printed/Typed) SHEILA UPCHEGG	Title REGULATORY ANALYST
Signature 	Date August 8, 2008

**THIS SPACE FOR FEDERAL OR STATE USE**

Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		
Office		

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

**RECEIVED**

**AUG 11 2008**

**DIV. OF OIL, GAS & MINING**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
SUNDRY NOTICES AND REPORTS ON WELLS  
*Do not use this form for proposals to drill or reenter an  
abandoned well. Use Form 3160-3 (APD) for such proposals.*

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

5. Lease Serial No.  
**UTU-015630-A**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.  
**NATURAL BUTTES UNIT**

8. Well Name and No.  
**NBU 1021-241**

9. API Well No.  
**4304737910**

10. Field and Pool, or Exploratory Area  
**NATURAL BUTTES**

11. County or Parish, State  
**UINTAH COUNTY, UTAH**

**SUBMIT IN TRIPLICATE – Other instructions on reverse side**

1. Type of Well  
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator  
**KERR-McGEE OIL & GAS ONSHORE LP**

3a. Address  
**1368 SOUTH 1200 EAST VERNAL, UT 84078**

3b. Phone No. (include area code)  
**(435) 781-7024**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**2272' FSL, 870' FEL  
NESE, SEC.24 T10S-R21E**

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <b>PRODUCTION START-UP</b>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

THE SUBJECT WELL LOCATION WAS PLACED ON PRODUCTION ON 10/5/08 AT 1:30 PM.  
PLEASE REFER TO THE ATTACHED CHRONOLOGICAL WELL HISTORY.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

**SHEILA UPCHEGO**

Title

**SENIOR LAND ADMIN SPECIALIST**

Signature

Date

**October 7, 2008**

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

RECEIVED  
OCT 08 2008  
DIV. OF OIL, GAS & MINING

Wins No.: 95233

NBU 1021-24I

## Well Operations Summary Long

Operator KERR MCGEE OIL & GAS ONSHORE LP	FIELD NAME NATURAL BUTTES	SPUD DATE 07/25/2008	GL 5,322	KB 5341	ROUTE
API 4304737910	STATE UTAH	COUNTY UINTAH	DIVISION ROCKIES		
Long/Lat.: 39.93238 / -109.49329		Q-Q/Sect/Town/Range: NESE / 24 / 10S / 21E		Footages: 2,272.00' FSL 870.00' FEL	

## Wellbore: NBU 1021-24I

MTD 9,070	TVD 9,065	PBMD 8,990	PBTVD
--------------	--------------	---------------	-------

EVENT INFORMATION:	EVENT ACTIVITY: DRILLING	START DATE: 7/25/2008	AFE NO.: 2020846
	OBJECTIVE: DEVELOPMENT	END DATE: 9/14/2008	
	OBJECTIVE 2: VERTICAL WELL	DATE WELL STARTED PROD.: 7/25/2008	
	REASON: DRILL PROD HOLE	Event End Status: SUSPENDED	

RIG OPERATIONS:	Begin Mobilization	Rig On Location	Rig Charges	Rig Operation Start	Finish Drilling	Rig Release	Rig Off Location
PETE MARTIN DRILLING / UI	07/25/2008	07/25/2008	07/25/2008	07/25/2008	07/25/2008	07/25/2008	07/25/2008

Date	Time Start-End	Duration (hr)	Phase	Code	Subcode	P/U	Operation
7/25/2008	SUPERVISOR: LEW WELDON						
	1:30 - 8:00	6.50	DRLCON	02		P	MOVE IN AND RIG UP BUCKET RIG SPUD WELL @ 0130 HR 7/25/08 DRILL AND SET 40' OF SCHEDULE 10 PIPE DRILL RODENT HOLES FOR RIG 54 BLM AND STATE NOTIFIED OF SPUD
8/2/2008	SUPERVISOR: LEW WELDON						
	1:00 - 12:00	11.00	DRLSUR	02		P	MOVE IN AND RIG UP AIR RIG SPUD WELL @ 0100 HR 8/2/08 DA AT REPORT TIME 870'
	12:00 - 0:00	12.00	DRLSUR	02		P	RIG DRILLING AHEAD NO WATER 1380'
8/3/2008	SUPERVISOR: LEW WELDON						
	0:00 - 12:00	12.00	DRLSUR	02		P	RIG DRILLING AHEAD HIT TRONA WATER @ 1380' WELL NOT CIRCULATING 1620'
	12:00 - 0:00	12.00	DRLSUR	02		P	RIG DRILLING AHEAD CIRCULATING WITH SKID PUMP NO CIRCULATION 1830'
8/4/2008	SUPERVISOR: LEW WELDON						
	0:00 - 15:00	15.00	DRLSUR	02		P	RIG T/D @ 2070' CONDITION HOLE 1 HR
	15:00 - 18:00	3.00	DRLSUR	05		P	TRIP DP OUT OF HOLE
	18:00 - 21:00	3.00	DRLSUR	11		P	RUN 2029' OF 9 5/8 CSG AND RIG DOWN AIR RIG
	21:00 - 22:00	1.00	DRLSUR	15		P	CEMENT 1ST STAGE WITH 300 SKS TAIL @ 15.8# 1.15 5.0 GAL/SK NO RETURNS TO PIT 110 PSI LIFT
	22:00 - 22:30	0.50	DRLSUR	15		P	1ST TOP JOB 200 SKS DOWN BS WOC

	22:00 - 22:30	0.50	DRLSUR	15		P	1ST TOP JOB 200 SKS DOWN BS WOC
	22:30 - 0:00	1.50	DRLSUR	15		P	2ND TOP JOB 325 SKS DOWN BS GOOD CMT TO SURFACE AND STAYED AT SURFACE NO VISIBLE LEAKS PIT HAS 3 FEET IN IT WORT
9/1/2008	SUPERVISOR: KENT MOORE						
	0:00 - 6:00	6.00	RDMO	01	E	P	RDRT
	6:00 - 20:00	14.00	RDMO	01	E	P	MOVE RIG TO NBU 1021-241 - 100% RIGGED DOWN, 60% MOVED
	20:00 - 0:00	4.00	RDMO	01	B	P	IDLE
9/2/2008	SUPERVISOR: STUART NEILSON						
	0:00 - 6:00	6.00	DRLPRO	01	B	P	IDLE
	6:00 - 21:00	15.00	DRLPRO	01	B	P	SET IN RIG, RURT
	21:00 - 0:00	3.00	DRLPRO	07	A	P	SCHEDULED RIG MANTANANCE
9/3/2008	SUPERVISOR: STUART NEILSON						
	0:00 - 0:00	24.00	DRLPRO	07	A	P	SCHEULED RIG MAINTAINANCE
9/4/2008	SUPERVISOR: STUART NEILSON						
	0:00 - 10:00	10.00	DRLPRO	07	A	P	SCHEDULED RIG MAINTAINANCE
	10:00 - 14:00	4.00	DRLPRO	13	A	P	N/U BOP
	14:00 - 18:00	4.00	DRLPRO	13	C	P	TEST BOPRAMS & ALL VALVES TO 250LOW - 5000 HIGH, ANN 250 LOW - 2500 HIGH, CASING TO 1500 PSI
	18:00 - 18:30	0.50	DRLPRO	13	B	P	INSTALL WEAR BUSHING
	18:30 - 0:00	5.50	DRLPRO	05	A	P	HPJSM W/ RIG & P/U CREWS, R/U & P/U BHA, INSTALL ROT RUBBER, TOURQE KELLY, INSTALL DRIVE BUSHINGS,P/U D/P, TAG CEMENT @ 1978', R/D P/U TRUCK
9/5/2008	SUPERVISOR: STUART NEILSON						
	0:00 - 3:00	3.00	DRLPRO	02	F	P	DRLG CEMENT & F/E
	3:00 - 3:30	0.50	DRLPRO	09	A	P	SURVEY @ 2070 1.86 DEG
	3:30 - 7:30	4.00	DRLPRO	02	B	P	DRLG F/ 2070 TO 2292 222' @ 55.5' PH W/ 8.5 PPG - 35 VIS

3:30 - 7:30	4.00	DRLPRO	02	B	P	DRLG F/ 2070 TO 2292 222' @ 55.5' PH W/ 8.5 PPG - 35 VIS
7:30 - 8:00	0.50	DRLPRO	09	A	P	SURVEY @ 2249' 2.06 DEG
8:00 - 10:30	2.50	DRLPRO	02	B	P	DRLG F/ 2292 TO 2480 188' @ 75.2' PH W/ 8.6 PPG - 40 VIS
10:30 - 11:00	0.50	DRLPRO	06	A	P	SERVICE RIG
11:00 - 15:00	4.00	DRLPRO	02	B	P	DRLG F/ 2480 TO 2801 321' @ 80.2' PH W/ 8.8 PPG - 40 VIS
15:00 - 15:30	0.50	DRLPRO	09	A	P	SURVEY @ 2742 1.77 DEG
15:30 - 0:00	8.50	DRLPRO	02	B	P	DRLG F/ 2801 TO 3244 443' @ 52.1' PH W/ 8.9 PPG - 40 VIS

9/6/2008

SUPERVISOR: STUART NEILSON

0:00 - 1:00	1.00	DRLPRO	02	B	P	DRLG F/ 3244 TO 3301 57' @ 57' PH W/ 9.0 - 44 VIS
1:00 - 1:30	0.50	DRLPRO	09	A	P	SURVEY @ 3258 2.09 DEG
1:30 - 9:30	8.00	DRLPRO	02	B	P	DRLG F/ 3301 TO 3812 511' @ 63.9' PH W/ 9.0 PPG - 42 VIS
9:30 - 10:00	0.50	DRLPRO	09	A	P	SURVEY @ 3772 2.87 DEG
10:00 - 14:30	4.50	DRLPRO	02	B	P	DRLG F/ 3812 TO 4096 284' @ 63.1' PH W/ 9.2 PPG - 42 VIS
14:30 - 15:00	0.50	DRLPRO	06	A	P	SERVICE RIG
15:00 - 18:00	3.00	DRLPRO	02	B	P	DRLG F/ 4096 TO 4318 222' @ 74' PH
18:00 - 18:30	0.50	DRLPRO	09	A	P	SURVEY @ 4275 2.83 DEG
18:30 - 0:00	5.50	DRLPRO	02	B	P	DRLG F/ 4318 TO 4650 332' @ 60.4' PH W/ 9.6 PPG - 44 VIS

9/7/2008

SUPERVISOR: STUART NEILSON

0:00 - 2:30	2.50	DRLPRO	02	B	P	DRLG F/ 4650 TO 4789 139' @ 55.6' PH W/ 9.6 PPG - 44 VIS
2:30 - 3:00	0.50	DRLPRO	09	A	P	SURVEY @ 4746 2.90 DEG
3:00 - 14:00	11.00	DRLPRO	02	B	P	DRLG F/ 4789 TO 5330 541' @ 49.2' PH W/ 9.9 PPG - 44 VIS

14:00 - 14:30	0.50	DRLPRO	06	A	P	SERVICE RIG
14:30 - 15:30	1.00	DRLPRO	02	B	P	DRLG F/ 5330 TO 5393 63' @ 63' PH W/ 9.9 PPG - 44 VIS
15:30 - 16:00	0.50	DRLPRO	09	A	P	SURVEY @ 5375 2.47 DEG
16:00 - 0:00	8.00	DRLPRO	02	B	P	DRLG F/ 5393 TO 5720 327' @ 40.9' PH W/ 9.9 PPG - 44 VIS

9/8/2008

SUPERVISOR: STUART NEILSON

0:00 - 2:30	2.50	DRLPRO	02	B	P	DRLG F/ 5720 TO 5805 85' @ 34' PH W/ 9.9 PPG - 44 VIS
2:30 - 3:00	0.50	DRLPRO	09	A	P	SURVEY @ 5762
3:00 - 17:30	14.50	DRLPRO	02	B	P	DRLG F/ 5805 TO 6311 506' @ 34.9 PH W/ 10 PPG - 44 VIS
17:30 - 18:00	0.50	DRLPRO	06	A	P	SERVICE RIG
18:00 - 19:00	1.00	DRLPRO	02	B	P	DRLG F/ 6311 TO 6328 17' @ 17' PH W/ 10 .0 - 42 VIS
19:00 - 0:00	5.00	DRLPRO	05	A	P	TFNB & MM

9/9/2008

SUPERVISOR: STUART NEILSON

0:00 - 5:00	5.00	DRLPRO	05	A	P	TFNB & MM
5:00 - 6:30	1.50	DRLPRO	03	E	P	WASH & REAM 75' TO BOTTOM
6:30 - 14:00	7.50	DRLPRO	02	B	P	DRLG F/ 6328 TO 6658 330' @ 44' PH W/ 10.5 PPG - 44 VIS
14:00 - 14:30	0.50	DRLPRO	02	B	P	SERVICE RIG
14:30 - 0:00	9.50	DRLPRO	02	B	P	DRLG F/ 6658 TO 7014 356' @ 37.5' PH W/ 10.8 PPG - 44 VIS

9/10/2008

SUPERVISOR: STUART NEILSON

0:00 - 13:00	13.00	DRLPRO	02	B	P	DRLG F/ 7014 TO 7436 422' @ 32.5' PH W/ 11.0 PPG - 44 VIS
13:00 - 13:30	0.50	DRLPRO	06	A	P	SERVICE RIG
13:30 - 0:00	10.50	DRLPRO	02	B	P	DRLG F/ 7436 TO 7772 336' @ 32' PH W/ 11.0 PPG - 44 VIS

9/11/2008	SUPERVISOR:	STUART NEILSON					
0:00 - 13:00	13.00	DRLPRO	02	B	P	DRLG F/ 7772 TO 8208 436' @ 33.5' PH W/ 11.0 PPG - 44 VIS	
13:00 - 13:30	0.50	DRLPRO	06	A	P	SERVICE RIG	
13:30 - 18:30	5.00	DRLPRO	02	B	P	DRLG F/ 8208 TO 8304 96' @ 19.2' PH W/ 11.0 PPG - 44 VIS	
18:30 - 0:00	5.50	DRLPRO	05	A	P	TFNB	
9/12/2008	SUPERVISOR:	STUART NEILSON					
0:00 - 4:00	4.00	DRLPRO	05	A	P	TFNB	
4:00 - 14:00	10.00	DRLPRO	02	B	P	DRLG F/ 8304 TO 8587 283' @ 28.3' PH W/ 11.2 PPG - 44 VIS	
14:00 - 14:30	0.50	DRLPRO	06	A	P	SERVICE RIG	
14:30 - 0:00	9.50	DRLPRO	02	B	P	DRLG F/ 8587 TO 8966 379' @ 39.8' PH W/ 11.4 PPG - 44 VIS	
9/13/2008	SUPERVISOR:	STUART NEILSON					
0:00 - 3:00	3.00	DRLPRO	02	B	P	DRLG F/ 8966 TO 9070 104' @ 34.7' PH W/ 11.4 PPG - 44 VIS	
3:00 - 4:00	1.00	DRLPRO	04	C	P	CIRC & COND HOLE	
4:00 - 6:00	2.00	DRLPRO	05	E	P	SHORT TRIP 20 STDs	
6:00 - 7:00	1.00	DRLPRO	04	C	P	CCH F/ LDDS	
7:00 - 14:30	7.50	DRLPRO	05	A	P	HPJSM W/ RIG & L/D CREWS, R/U & LDDS, BREAK KELLY, PULL WEAR BUSHING	
14:30 - 0:00	9.50	DRLPRO	10	C	P	HPJSM W/ RIG & LOGGING CREWS, R/U & LOG, RUN TRIPLR COMBO F/ 8879', R/D	
9/14/2008	SUPERVISOR:	STUART NEILSON					
0:00 - 10:30	10.50	DRLPRO	11	B	P	HPJSM W/ RIG & CASING CREWS, R/U & RUN 9063' 4 1/2" CASING	
10:30 - 11:30	1.00	DRLPRO	04	E	P	CIRC OUT GAS TO CEMENT	

Wins No.: 95233			NBU 1021-24I			API No.: 4304737910	
11:30 - 14:00	2.50	DRLPRO	15	A	P	CEMENT PROD CASING, PSI TEST LILNES TO 4500, START 20 BBLS MUD CLEAN, SCAV 20 SKS 9.5 PPG 8.45 YLD, LEAD 315 SKS 11 PPG 3.38 YLD, LEAD 1200 SKS 14.3 PPG 1.31 YLD, DROP PLUG & DISPLACE W/ 140 BBLS WATER, BUMPED PLUG @ 3400 PSI ( 500 OVER DIFF PSI OF 2900 ) FLOATS HELD W/ 2 BBLS BACK TO TRUCK, GOOD RETURNS THOUGHOUT JOB W/ 65 BBLS CEMENT TO PIT	
14:00 - 14:30	0.50	DRLPRO	18	A	P	LAND CASING HANGER W/ 65K, TEST & UNLOCK STACK	
14:30 - 18:00	3.50	DRLPRO	13	A	P	N/D STACK & CLEAN PITS, RELEASE RIG @ 18:00 9/14/08	



<b>Wins No.:</b> 95233		<b>NBU 1021-241</b>		<b>API No.:</b> 4304737910			
<b>EVENT INFORMATION:</b>		EVENT ACTIVITY: COMPLETION		START DATE: 9/29/2008			
		OBJECTIVE: DEVELOPMENT		END DATE: 10/2/2008			
		OBJECTIVE 2: ORIGINAL		DATE WELL STARTED PROD.: 7/25/2008			
		REASON: MV		Event End Status: COMPLETE			
<b>RIG OPERATIONS:</b>		Begin Mobilization	Rig On Location	Rig Charges	Rig Operation Start		
					Finish Drilling		
					Rig Release		
					Rig Off Location		
GWS 1 / 1		09/26/2008			10/02/2008		
Date	Time Start-End	Duration (hr)	Phase	Code	Subcode	P/U	Operation
9/26/2008	<u>SUPERVISOR:</u> DAVID DANIELS						
	12:00 - 17:00	5.00	COMP	31	I	P	ROAD RIG F/ NBU 1022-16F T/ LOC. MIRU RIG. OPEN WELL 0#. NDWH, NUBOP. RU TBG EQUIP. PREP & TALLY 297 JTS 2 3/8, J-55 TBG. PU 3 7/8 BIT & BIT SUB. RIH W/ 125 JTS 2 3/8 PIPE. EOT @ 3940'. SWI, SDFWE.
9/29/2008	<u>SUPERVISOR:</u> DAVID DANIELS						
	7:00 - 7:30	0.50	COMP	48		P	HSM. PICKING PU TBG.
	7:30 - 15:00	7.50	COMP	31	I	P	OPEN WELL 0#. CONT PU NEW 2 3/8, J-55 TBG , F/ 3927' RIH T/ 6975'. X-OVER. POOH, SB 222 JTS. LD BIT SUB & BIT. ND BOP, NU FRAC VALVES. RIG PUMP T/ CSG, FILL CSG W/ 20 BBLs 2%, KCL. SWI, SDFN. PREP T/ PSI TEST IN THE :AM.  ROLL ALL 30 TANKS, FOUND 3 TANKS BAD. CHI TANK # 146 HAD 6 PPM, # 150 HAD 2 PPM, # 014 HAD 2 PPM. RETREAT & ROLL TANKS.
9/30/2008	<u>SUPERVISOR:</u> DAVID DANIELS						
	7:00 - 7:30	0.50	COMP	48		P	HSM. HIGH PSI LINES.
	7:30 - 18:00	10.50	COMP	36	B	P	OPEN WELL 0#. RIG PUMP T/ CSG. PUMP UP PSI T/ 3700#. MIRU B & C QUICK TEST. PSI TEST T/ 7500#. HELD. BLEED OFF PSI. RDMO B & C QUICK TEST. MIRU CUTTERS & WEATHERFORD FRAC SERV. PU 3 3/8, EXP GUN. 23 GM, 90 DEG PHASING. RIH PERF F/ 8827'-37'. 4 SPF, 40 HOLES. POOH. X-OVER FOR FRAC CREW.  STG 1) OPEN WELL 0#. BRK @ 4883# @2.8 BPM. SD ISIP 2739#, FG .75. PUMP PRE PAD & PAD, WENT T/ SAND. PUMPED 7248# OF 40/70 SAND LOST ALL COMPUTERS, WENT T/ FLUSH. SD REBOOT COMPUTER. START PAD AGAIN PUMP HOLD PAD FOR 148 BBLs, SD AGAIN COULD NOT READ BLENDER. MAKE REPAIRS. PUMP JOB. PUMP 22,371# PF 40/70 OWATTA SAND & 30/50 TLC. SD ISIP 2685#, FG .75. TURN WELL OVER T/ W.L.  STG 2) PU 4 1/2, BAKER CBP & 3 3/8 EXP GUN, 23 GM, 120 DEG PHASING. RIH SET 4 1/2 CBP @ 8420', P/U PERF F/ 8385'-90', 3 SPF, 12 HOLES. 8336'-40', 3 SPF, 12 HOLES. 8300'-06', 3 SPF, 18 HOLES. POOH. TURN WELL OVER T/ FRAC CREW. OPEN WELL 0#. BRK @ 4940# @ 2.7 BPM. SD ISIP 2425#, FG .72. PUMP 118,293# 40/70 SAND & TAIL IN W/ 5000# 20/40 TLC. X-OVER FOR W.L. IN THE : AM. SWI, SDFN.
10/1/2008	<u>SUPERVISOR:</u> DAVID DANIELS						
	7:00 - 7:30	0.50	COMP	48		P	HSM. WIRERLINE SAFETY.

7:30 - 17:30 10.00 COMP 36 B P OPEN WELL 1200#.

STG 3) PU 4 1/2, 8K BAKER CBP & 3 3/8, EXP GUN, 23 GM, .36 HOLE. 120 DEG PHASING. RIH SET CBP @ 7557', P/U PERF F/ 752'-27', 3 SPF, 21 HOLES.  
7414'-17', 3 SPF, 9 HOLES.  
7376'-80', 3 SPF, 12 HOLES.  
POOH. X-OVER FOR FRAC CREW. OPEN WELL 130#. BRK @ 3847# @ 2.8 BPM. SD ISIP 1657#, FG .66. PUMP 143,149# 40/70 WHIGHT, & 5000# 20/40 TLC. SD ISIP 2507#, FG .79. X-OVER FOR W.L.

STG 4) PU 4 1/2, 8K BAKER CBP & 3 3/8 EXP, GUN. 23 GM, .36 HOLE, 120 DEG PHASING. RIH SET 8K, CBP @ 7318', P/U PERF F/ 7282'-88', 3 SPF, 18 HOLES.  
7243'-48', 3 SPF, 15 HOLES.  
7201'-04', 3 SPF, 9 HOLES.  
POOH. X-OVER FOR FRAC CREW.  
OPEN WELL 0#. BRK @ 3155# @ 2.8 BPM. SD ISIP 2360#, FG .78. PUMP 70,782# 40/70 SAND, TAIL IN W/ 5000# 20/40 TLC. SD ISIP 2790#, FG .83. X- OVER FOR W.L.

STG 5) PU 4 1/2, 8K BAKER CBP & 3 3/8 EXP GUN, 23 GM, .36 HOLE, 120 DEG PHASING. RIH SET CBP @ 7140', P/U PERF F/ 7096'-7110', 3 SPF, 42 HOLES.  
POOH. X-OVER FOR FRAC CREW. OPEN WELL 0#. BRK @ 3225# @ 2.9 BPM. SD ISIP 1572#, FG .66. PUMP 118,388# 40/70 SAND, TAIL IN W/ 5000# 20/40 TLC. SD ISIP 2360#, FG .77. X-OVER FOR W.L.  
PU 4 1/2, 8K BAKER CBP. RIH SET CBP @ 7080'. POOH. RDMO CUTTERS W.L. & WEATHERFORD FRAC CREW. ND FRAC V. , NU BOP. RU TBG EQUIP. PU 3 7/8 BIT + X-DART + POBS + XN-NIPPLE 1.875 ID. RIH W/ 222 JTS 2 3/8, J-55 TBG. RU DRL EQUIP. PREP T/ DRL OUT CBP'S IN THE :AM. EOT @ 6975'. SWI, SDFN.

10/2/2008 SUPERVISOR: DAVID DANIELS

7:00 - 7:30 0.50 COMP 48 P HSM

7:30 - 17:00 9.50 COMP 44 C P OPEN WELL 0#. BRK CONV CIRC START DRL OUT.  
CBP 1)TAG FILL @ 7055'= 5' FILL. DRL OUT CBP @ 7060' IN 8 MIN, 800# INCR. CONT RIH.

CBP 2)TAG FILL @ 7115'=25' FILL. DRL OUT CBP @ 7140' IN 7 MIN, 600# INCR. CONT RIH.

CBP 3)TAG FILL @ 7298'=20' FILL. DRL OUT CBP @ 7318' IN 10 MIN, 400# INCR. CONT RIH.

CBP 4)TAG FILL @ 7527'=30' FILL. DRL OUT CBP @ 7557' IN 9 MIN, 100# INCR. CONT RIH.

CBP 5)TAG FILL @ 8390'=30' FILL. DRL OUT CBP @ 8420' IN 7 MIN, 600# INCR. CONT RIH.

TAG FILL @ 8857' CO T/ PBTD @ 8990' & CIRC WELL W/ 20 BBLS 2%. RD DRL EQUIP. POOH, LD 35 JTS 2 3/8 TBG. PU 4 1/16 TBG HNGR. LAND TBG W/

KB	19.00
HNGR	.83
262 JTS 2 3/8, J-55	8233.10
BHA	.83
EOT	8255.13

NDBOP, NU WH. DROP BALL. RIG PUMP T/ TBG, PUMP BIT OFF W/ 30 BBLS 2%. DID NOT SEE BIT GO. SWI FOR 30 MIN. OPEN WELL 64/64 CHOCK. TURN WELL OVER T/ FBC. RACK OUT RIG EQUIP, RDMO RIG.

10/3/2008 SUPERVISOR: -

7:00 - 33 A

7 AM FLBK REPORT: CP 1100#, TP 900#, 20/64" CK, 40 BWPH, TRACE SAND, - GAS  
TTL BBLS RECOVERED: 725  
BBLS LEFT TO RECOVER: 12485

Wins No.: 95233		NBU 1021-241		API No.: 4304737910	
10/4/2008	<u>SUPERVISOR:</u> - 7:00 -	33	A	7 AM FLBK REPORT: CP 1250#, TP 1000#, 20/64" CK, 38 BWPH, TRACE SAND, - GAS TTL BBLS RECOVERED: 1657 BBLS LEFT TO RECOVER: 11553	
10/5/2008	<u>SUPERVISOR:</u> RANDY BROTHERRSON 13:00 -			WELL TURNED TO SALES @ 1300 HR ON 10/5/2008 - FTP 1100#, CP 1900#, CK 20/64", 800 MCFD, 768 BWPD	
10/6/2008	<u>SUPERVISOR:</u> RANDY BROTHERRSON 7:00 -	33	A	7 AM FLBK REPORT: CP 2400#, TP 1300#, 20/64" CK, 30 BWPH, TRACE SAND, 1M GAS TTL BBLS RECOVERED: 3237 BBLS LEFT TO RECOVER: 9973	
10/7/2008	<u>SUPERVISOR:</u> RANDY BROTHERRSON 7:00 -	33	A	7 AM FLBK REPORT: CP 2200#, TP 1200#, 20/64" CK, 23 BWPH, TRACE SAND, 999TH GAS TTL BBLS RECOVERED: 3896 BBLS LEFT TO RECOVER: 9314	

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

## WELL COMPLETION OR RECOMPLETION REPORT AND LOG

FORM APPROVED  
OMB NO. 1004-0137  
Expires: November 30, 20001a. Type of Well ☐ Oil Well ☒ Gas ☐ Dry Other  
b. Type of Completion: ☒ New ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff. Resvr.  
Other \_\_\_\_\_

2. Name of Operator

KERR-MCGEE OIL &amp; GAS ONSHORE LP

3. Address

1368 SOUTH 1200 EAST, VERNAL, UTAH 84078

3a. Phone No. (include area code)

(435) 781-7024

4. Location of Well (Report locations clearly and in accordance with Federal requirements)\*

At surface

NE/SE 2272'FSL, 870'FEL

At top prod. interval reported below

At total depth

14. Date Spudded  
07/25/0815. Date T.D. Reached  
09/13/0816. Date Completed  
☐ D & A ☒ Ready to Prod.  
10/05/0818. Total Depth: MD 9070'  
TVD19. Plug Back T.D.: MD 8990'  
TVD20. Depth Bridge Plug Set: MD  
TVD

21. Type Electric &amp; Other Mechanical Logs Run (Submit copy of each)

CBL-CCL-GR, BOREHOLE PROFILE LOG/GR  
2DL/CN/GR/CAL/HDL22. Was well cored? ☒ No ☐ Yes (Submit copy)  
Was DST run? ☒ No ☐ Yes (Submit copy)  
Directional Survey? ☒ No ☐ Yes (Submit copy)

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
20"	14"	36.7#		40'		28 SX			
12 1/4"	9 5/8"	36#		2070'		825 SX			
7 7/8"	4 1/2"	11.6#		9070'		1515 SX			

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Set (MD)
2 3/8"	8255'							

25. Producing Intervals

26. Perforation Record

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) MESAVERDE	7096'	8837'	7096'-8837'	0.36	208	OPEN
B)						
C)						
D)						

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and type of Material
7096'-8837'	PMP 13,210 BBLS SLICK H2O & 498,583# 40/70 OTTOWA SD

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
10/05/08	10/11/08	24	→	0	1,057	440			FLows FROM WELL
Choke Size	Tbg. Press. Flwg. SI	Csg. Press. SI	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Well Status	
19/64		1367#	→	0	1057	440			PRODUCING GAS WELL

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press. SI	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Well Status	
			→						

(See instructions and spaces for additional data on reverse side)

RECEIVED

NOV 04 2008

DIV. OF OIL, GAS &amp; MINING

## 28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	

## 28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	

## 29. Disposition of Gas (Sold, used for fuel, vented, etc.)

**SOLD**

## 30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

## 31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
GREENRIVER MAHOGANY WASATCH MESAVERDE	1108' 1829' 4263' 6828'	6666' 8836'			

## 32. Additional remarks (include plugging procedure):

## 33. Circle enclosed attachments:

- |   |                    |               |                       |
|---|--------------------|---------------|-----------------------|
| 1. Electrical/Mechanical Logs (1 full set req'd.)     | 2. Geologic Report | 3. DST Report | 4. Directional Survey |
| 5. Sundry Notice for plugging and cement verification | 5. Core Analysis   | 7. Other:     |                       |

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)\*

Name (please print) SHEILA UPCHEGOTitle REGULATORY ANALYST

Signature

Sheila Upchego meDate 10/29/08

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB NO. 1004-0135  
Expires: July 31, 2010**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.***SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. UTU015630A
2. Name of Operator KERR-MCGEE OIL & GAS ONSHORE L		6. If Indian, Allottee or Tribe Name
Contact: SHEILA UPCHEGO Email: sheila.upchego@anadarko.com		7. If Unit or CA/Agreement, Name and/or No. UNIT #891008900A
3a. Address 1368 SOUTH 1200 EAST VERNAL, UT 84078	3b. Phone No. (include area code) Ph: 435-781-7024	8. Well Name and No. NBU 1021-241
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 24 T10S R21E NESE 2272FSL 870FEL		9. API Well No. 43-047-37910
		10. Field and Pool, or Exploratory NATURAL BUTTES
		11. County or Parish, and State UINTAH COUNTY, UT

## 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

THE OPERATOR REQUESTS AUTHORIZATION TO RECOMPLETE THE SUBJECT WELL LOCATION. THE OPERATOR PROPOSES TO RECOMPLETE WASATCH AND MESAVERDE FORMATION. THE OPERATOR REQUESTS AUTHORIZATION TO COMMINGLE THE NEWLY WASATCH AND MESAVERDE FORMATIONS ALONG WITH THE EXISTING MESAVERDE FORMATION.

PLEASE REFER TO THE ATTACHED RECOMPLETION PROCEDURE.

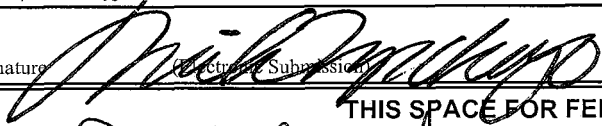
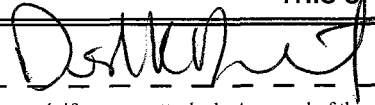
COPY SENT TO OPERATOR

Date: 2.24.2009Initials: KS

RECEIVED

JAN 27 2009

DIV. OF OIL, GAS &amp; MINING

14. I hereby certify that the foregoing is true and correct. Electronic Submission #66511 verified by the BLM Well Information System For KERR-MCGEE OIL & GAS ONSHORE L, sent to the Vernal	
Name (Printed/Typed) SHEILA UPCHEGO	Title OPERATIONS
Signature 	Date 01/21/2009
THIS SPACE FOR FEDERAL OR STATE OFFICE USE	
Approved By 	Title Pet. Eng.
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office <u>DOGM</u>
Federal Approval Of This Action Is Necessary	
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.	

\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\*

\* Cause 173-14

**Name:** NBU 1021-24I  
**Location:** NESE Sec. 24 - T10S - R21E  
**Uintah County, UT**  
**Date:** 1/8/09

**ELEVATIONS:** 5,322' GL 5,341' KB

**TOTAL DEPTH:** 9,070' **PBTD:** 9,024'  
**SURFACE CASING:** 9 5/8", 36# J-55 ST&C @ 2,051'  
**PRODUCTION CASING:** 4 1/2", 11.6#, I-80 LT&C @ 9,070'  
 Marker Joint 4,296' - 4,317'

**TUBULAR PROPERTIES:**

	BURST (psi)	COLLAPSE (psi)	DRIFT DIA. (in.)	CAPACITIES	
				(bbl/ft)	(gal/ft)
2 3/8" 4.7# J-55 tbg	7,700	8,100	1.901"	0.00387	0.1624
4 1/2" 11.6# I-80 (See above)	7780	6350	3.875"	0.0155	0.6528
2 3/8" by 4 1/2" Annulus				0.0101	0.4227

**TOPS:**

1,108' Green River  
 1302' Birds Nest  
 1,829' Mahogany  
 4,263' Wasatch  
 6,828' Mesaverde  
 Estimated T.O.C. from CBL @1900

**GENERAL:**

- A minimum of **13** tanks (cleaned lined 500 bbl) of recycled water will be required. Note: Use biocide in tanks and the water needs to be at least 45°F at pump time.
- All perforation depths are from Bakers Induction-Density-Neutron log dated 9/13/2008
- **3** fracturing stages required for coverage.
- Procedure calls for CBP's (**8000** psi) and 1 Flow Through Plug
- Calculate open perforations after each breakdown. If less than 60% of the perforations appear to be open, ball out with 15% HCl.
- Put scale inhibitor 3 gals/1000 gals (in pad and 1/2 the ramp) and 10 gals/1000 gals in all flushes except the final stage. Remember to pre-load the casing with scale inhibitor for the very first stage with 10 gpt.
- 30/50 mesh Ottawa sand, **Slickwater frac.**
- Maximum surface pressure **6200** psi.
- Flush volumes are the sum of slick water and acid used during displacement (include scale inhibitor as mentioned above). **DO NOT OVERDISPLACE.** Stage acid and scale inhibitor if necessary to cover the next perforated interval.

- Service companies need to provide surface/production annulus pop-offs to be set for 1500 psi for each frac.
- Pump 20/40mesh **resin coated sand** last 5,000# of all frac stages
- Tubing Currently Landed @~8,270
- Originally completed on 10/1/08

**Existing Perforations:**

MESAVERDE 7096	7110	3	42
MESAVERDE 7201	7204	3	9
MESAVERDE 7243	7248	3	15
MESAVERDE 7282	7288	3	18
MESAVERDE 7376	7380	3	12
MESAVERDE 7414	7417	3	9
MESAVERDE 7520	7527	3	21
MESAVERDE 8300	8306	3	18
MESAVERDE 8336	8340	3	12
MESAVERDE 8386	8390	3	12
MESAVERDE 8827	8837	4	40

**PROCEDURE:**

1. MIRU. Control well with recycled water and biocide as required. ND WH, NU BOP's and test.
2. TOOH with 2-3/8", 4.7#, J-55 (or N-80) tubing (currently landed at ~8,270'). Visually inspect for scale and consider replacing if needed.
3. P/U a mill and C/O to 9024
4. Set 8000 psi Flow Through Plug at ~ 6978'. Pressure test BOP and casing to 6000 psi. .
5. Perf the following with 3-3/8" gun, 23 gm, 0.36"hole:
 

Zone	From	To	spf	# of shots
MESAVERDE	6858	6864	3	18
MESAVERDE	6960	6968	3	24
6. Breakdown perms and establish injection rate (include scale inhibitor in fluid). Spot 250 gals of 15% HCL and let soak 5-10 min. Fracture as outlined in Stage 1 on attached listing. Under-displace to ~6,808' and trickle 250gal 15%HCL w/ scale inhibitor in flush .
7. Set 8000 psi CBP at ~6,698'. Perf the following 3-3/8" gun, 23 gm, 0.36"hole:
 

Zone	From	To	spf	# of shots
WASATCH	6658	6668	4	40
8. Breakdown perms and establish injection rate. Fracture as outlined in Stage 2 on attached listing. Under-displace to ~6,608' and trickle 250gal 15%HCL w/ scale inhibitor in flush.



9. Set 8000 psi CBP at ~5,881'. Perf the following with 3-3/8" gun, 23 gm, 0.36" hole:

Zone	From	To	spf	# of shots
WASATCH	5663	5668	4	20
WASATCH	5810	5812	4	8
WASATCH	5848	5851	4	12

10. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 3 on attached listing. Under-displace to ~5,613' flush only with recycled water.

11. Set 8000 psi CBP at ~5,613'.

12. TIH with 3 7/8" mill, sliding sleeve, SN and tubing.

13. Mill plugs (DO NOT DRILL FLOW THROUGH PLUG @ 6978') and clean out to 6978. Land tubing at ±6628' and open sleeve unless indicated otherwise by the well's behavior. This well will be commingled at this time.

14. RDMO

15. Clean out well with foam and/or swabbing unit until steady flow has been established from recomplete.

16. MIRU

17. Mill Flow Through plug and commingle well. Land tubing at ~8270'

18. RDMO

**For design questions, please call**  
**Jason Menegatti, Denver, CO**  
**(303) 519-3604 (Cell)**  
**(720) 946-2553 (Office)**

**For field implementation questions, please call**  
**Robert Miller, Vernal, UT**  
**4350781 7041 (Office)**

NOTES:

NBU 1021-241  
Perforation and CBP Summary

Stage	Zones	Perforations		SPF	Holes	Fracture Coverage		
		Top, ft	Bottom, ft					
1	MESAVERDE	6858	6864	3	18	6840	to	6865
	MESAVERDE	6960	6968	3	24	6871	to	6878
	MESAVERDE		No Perfs			6879	to	6881
	MESAVERDE		No Perfs			6888	to	6890
	MESAVERDE		No Perfs			6906	to	6909
	MESAVERDE		No Perfs			6920	to	6928
	MESAVERDE		No Perfs			6954	to	6957
	MESAVERDE		No Perfs			6959	to	6969
	MESAVERDE		No Perfs			6976	to	6983
	MESAVERDE		No Perfs			6985	to	6994
	MESAVERDE		No Perfs			6996	to	6999
	# of Perfs/stage				42	CBP DEPTH	6,698	
2	WASATCH	6658	6668	4	40	6658	to	6666
	# of Perfs/stage				40	CBP DEPTH	5,881	
3	WASATCH	5663	5668	4	20	5662	to	5668
	WASATCH	5810	5812	4	8	5809	to	5812
	WASATCH	5848	5851	4	12	5848	to	5851
	# of Perfs/stage				40	CBP DEPTH	5,613	
Totals					122			

Fracturing Schedules  
NBU 1021-241  
Slickwater Frac

Stage	Zone	Feet		Perfs		SPF	Holes	Rate BPM	Fluid Type	Initial ppg	Final ppg	Fluid	Volume gals	Cum Vol gals	Volume BBLs	Cum Vol BBLs	Fluid % of frac	Sand % of frac	Sand lbs	Cum. Sand lbs	Footage from CBP to Flush	Scale Inhib., gal.	
		of Pay	Top, ft	Bot, ft																			
1	MESAVERDE	25	6668	6664	3	18	Varied	Pump-in test				Slickwater		0	0	0							
	MESAVERDE	7	6660	6668	3	24	0	ISIP and 5 min ISIP														44	
	MESAVERDE	2		No Perfs		50		Slickwater Pad				Slickwater	22,739	22,739	541	541	15.0%	0.0%	0	0		68	
	MESAVERDE	2		No Perfs		50		Slickwater Ramp	0.25	1		Slickwater	42,951	65,689	1,023	1,564	28.3%	16.9%	26,844	26,844		64	
	MESAVERDE	3		No Perfs		50		SW Sweep	0	0		Slickwater	5,250	70,939	125	1,689	0.0%	0.0%	0	26,844		8	
	MESAVERDE	8		No Perfs		50		Slickwater Ramp	1	1.5		Slickwater	42,951	113,890	1,023	2,712	28.3%	33.8%	53,688	80,532		64	
	MESAVERDE	3		No Perfs		50		SW Sweep	0	0		Slickwater	10,500	124,390	250	2,962	0.0%	0.0%	0	80,532		0	
	MESAVERDE	10		No Perfs		50		Slickwater Ramp	0.5	1.5		Slickwater	3,000	127,390	71	3,033	1.9%	3.0%	3,000	83,532		0	
	MESAVERDE	7		No Perfs		50		Slickwater Ramp	1.5	2		Slickwater	42,951	167,340	1,023	3,984	28.3%	47.4%	75,163	158,696		0	
	MESAVERDE	9		No Perfs		50		Flush (4-1/2")					4,444	171,784	106	4,090				158,696		44	
	MESAVERDE	3		No Perfs				ISOP and 5 min ISOP						171,784								292	
	MESAVERDE	0																					
	MESAVERDE	0																					
	MESAVERDE	0										Sand laden Volume		151,590									
		79		# of Perfs/Stage		42										Flush depth	6808		gal/ft	1,919	2,009	lbs sand/ft	
							81.8	<< Above pump time (min)												CBP depth	6,698	110	
2	WASATCH	8	6658	6668	4	40	Varied	Pump-in test				Slickwater		0	0	0							
	WASATCH	0					0	ISIP and 5 min ISIP															
	WASATCH	0				50		Slickwater Pad				Slickwater	3,120	3,120	74	74	15.0%	0.0%	0	0		9	
	WASATCH	0				50		Slickwater Ramp	0.25	1		Slickwater	5,893	9,013	140	215	28.3%	17.2%	3,683	3,683		9	
	WASATCH	0				50		SW Sweep	0	0		Slickwater	0	9,013	0	215	0.0%	0.0%	0	3,683		0	
	WASATCH	0				50		Slickwater Ramp	1	1.5		Slickwater	5,893	14,907	140	355	28.3%	34.5%	7,367	11,050		9	
	WASATCH	0				50		SW Sweep	0	0		Slickwater	0	14,907	0	355	0.0%	0.0%	0	11,050		0	
	WASATCH	0				50		Slickwater Ramp	0.5	1.5		Slickwater	0	14,907	0	355	0.0%	0.0%	0	11,050		0	
	WASATCH	0				50		Slickwater Ramp	1.5	2		Slickwater	5,893	20,800	140	495	28.3%	48.3%	10,313	21,363		0	
	WASATCH	0				50		Flush (4-1/2")					4,314	25,114	103	598				21,363		38	
	WASATCH	0						ISOP and 5 min ISOP						25,114								65	
	WASATCH	0																					
	WASATCH	0																					
	WASATCH	0										Sand laden Volume		20,800									
		8		# of Perfs/Stage		40										Flush depth	6608		gal/ft	2,600	2,670	lbs sand/ft	
							9.9	<< Above pump time (min)												CBP depth	5,881	727	
3	WASATCH	6	5663	5668	4	20	Varied	Pump-in test				Slickwater		0	0	0							
	WASATCH	3	5810	5812	4	8	0	ISIP and 5 min ISIP															
	WASATCH	3	5848	5851	4	12	50	Slickwater Pad				Slickwater	3,600	3,600	86	86	15.0%	0.0%	0	0		11	
	WASATCH	0				50		Slickwater Ramp	0.25	1		Slickwater	6,800	10,400	162	248	28.3%	17.2%	4,250	4,250		10	
	WASATCH	0				50		SW Sweep	0	0		Slickwater	0	10,400	0	248	0.0%	0.0%	0	4,250		0	
	WASATCH	0				50		Slickwater Ramp	1	1.5		Slickwater	6,800	17,200	162	410	28.3%	34.5%	8,500	12,750		10	
	WASATCH	0				50		SW Sweep	0	0		Slickwater	0	17,200	0	410	0.0%	0.0%	0	12,750		0	
	WASATCH	0				50		Slickwater Ramp	0.5	1.5		Slickwater	0	17,200	0	410	0.0%	0.0%	0	12,750		0	
	WASATCH	0				50		Slickwater Ramp	1.5	2		Slickwater	6,800	24,000	162	571	28.3%	48.3%	11,900	24,650		0	
	WASATCH	0				50		Flush (4-1/2")					3,664	27,664	87	659				24,650		0	
	WASATCH	0						ISOP and 5 min ISOP						27,664								31	
	WASATCH	0																					
	WASATCH	0																					
	WASATCH	0										Sand laden Volume		24,000									
		12		# of Perfs/Stage		40										Flush depth	5613		gal/ft	2,000	2,054	lbs sand/ft	
							11.4	<< Above pump time (min)												CBP depth	5,613	0	
Totals		99				122							Total Fluid	224,562 gals	5,347 bbls			Total Sand	204,709		LOOK		
							1.7	Estimated Total Completion Cost						\$250,000			11.9 tanks			Total Scale Inhib. =		388	

Stage	Zone	Feet	Perfs		SPF	Holes	Rate	Fluid	Initial	Final	Fluid	Volume	Cum Vol	Volume	Cum Vol	Fluid	Sand	Sand	Cum. Sand	Footage from	Scale	
		of Pay	Top, ft.	Bot., ft			BPM	Type	ppg	ppg		gals	gals	BBLs	BBLs	% of frac	% of frac	lbs	lbs	lbs	CBP to Flush	gal.
1	MESAVERDE	25	6858	6864	3	18	Varied	Pump-in test			Slickwater		0	0	0							
	MESAVERDE	7	6960	6968	3	24	0	ISIP and 5 min ISIP													44	
	MESAVERDE	2		No Perfs			50	Slickwater Pad			Slickwater	22,739	22,739	541	541	15.0%	0.0%	0	0		68	
	MESAVERDE	2		No Perfs			50	Slickwater Ramp	0.25	1	Slickwater	42,951	65,689	1,023	1,564	28.3%	16.9%	26,844	26,844		64	
	MESAVERDE	3		No Perfs			50	SW Sweep	0	0	Slickwater	5,250	70,939	125	1,689		0.0%	0	26,844		8	
	MESAVERDE	8		No Perfs			50	Slickwater Ramp	1	1.5	Slickwater	42,951	113,890	1,023	2,712	28.3%	33.8%	53,688	80,532		64	
	MESAVERDE	3		No Perfs			50	SW Sweep	0	0	Slickwater	10,500	124,390	250	2,962		0.0%	0	80,532		0	
	MESAVERDE	10		No Perfs			50	Slickwater Ramp	0.5	1.5	Slickwater	3,000	127,390	71	3,033		1.9%	3,000	83,532		0	
	MESAVERDE	7		No Perfs			50	Slickwater Ramp	1.5	2	Slickwater	42,951	167,340	1,023	3,984	28.3%	47.4%	75,163	158,696		0	
	MESAVERDE	9		No Perfs			50	Flush (4-1/2")				4,444	171,784	106	4,090				158,696		44	
	MESAVERDE	3		No Perfs				ISDP and 5 min ISDP													292	
	MESAVERDE	0																				
	MESAVERDE	0																				
	MESAVERDE	0																				
		79		# of Perfs/stage		42										Flush depth	6808	gal/ft	1,919	2,009	lbs sand/ft	
																					110	
2	WASATCH	8	6658	6668	4	40	Varied	Pump-in test			Slickwater		0	0	0							
	WASATCH	0					0	ISIP and 5 min ISIP														
	WASATCH	0					50	Slickwater Pad			Slickwater	3,120	3,120	74	74	15.0%	0.0%	0	0		9	
	WASATCH	0					50	Slickwater Ramp	0.25	1	Slickwater	5,893	9,013	140	215	28.3%	17.2%	3,683	3,683		9	
	WASATCH	0					50	SW Sweep	0	0	Slickwater	0	9,013	0	215		0.0%	0	3,683		0	
	WASATCH	0					50	Slickwater Ramp	1	1.5	Slickwater	5,893	14,907	140	355	28.3%	34.5%	7,367	11,050		9	
	WASATCH	0					50	SW Sweep	0	0	Slickwater	0	14,907	0	355		0.0%	0	11,050		0	
	WASATCH</																					

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB NO. 1004-0135  
Expires: July 31, 2010**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.***SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. UTU015630A
2. Name of Operator KERR-MCGEE OIL & GAS ONSHORE		6. If Indian, Allottee or Tribe Name
3a. Address 1368 SOUTH 1200 EAST VERNAL, UT 84078		7. If Unit or CA/Agreement, Name and/or No. UNIT #891008900A
3b. Phone No. (include area code) Ph: 435-781-7024		8. Well Name and No. NBU 1021-241
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 24 T10S R21E NESE 2272FSL 870FEL		9. API Well No. 43-047-37910
		10. Field and Pool, or Exploratory NATURAL BUTTES
		11. County or Parish, and State UINTAH COUNTY, UT

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

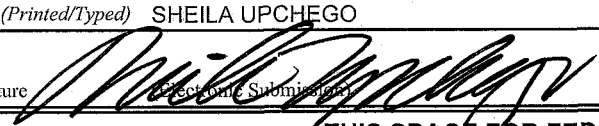
TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input checked="" type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Drilling Operations
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

THE SUBJECT WELL WAS PLACED ON PRODUCTION ON 02/26/2009 AT 1200 HRS.

PLEASE REFER TO THE ATTACHED CHRONOLOGICAL WELL HISTORY.

*This well was a Recompletion well.*

14. I hereby certify that the foregoing is true and correct. Electronic Submission #67743 verified by the BLM Well Information System For KERR-MCGEE OIL & GAS ONSHORE L, sent to the Vernal			
Name (Printed/Typed)	SHEILA UPCHEGO	Title	OPERATIONS
Signature		Date	03/02/2009
THIS SPACE FOR FEDERAL OR STATE OFFICE USE			
Approved By		Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office	
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.			

**\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\*****RECEIVED****MAR 04 2009**

DIV. OF OIL, GAS &amp; MINING

# ROCKIES

## Operation Summary Report

Well: NBU 1021-24I			Spud Conductor: 7/25/2008			Spud Date: 8/2/2008		
Project: UTAH			Site: UINTAH			Rig Name No: LEED 698/698		
Event: RECOMPLETION			Start Date: 2/18/2009			End Date: 2/24/2009		
Active Datum: RKB @5,341.00ft (above Mean Sea Level)			UWI: NBU 1021-24I					
Date	Time Start-End	Duration (hr)	Phase	Code	Subcode2	P/U	MD From (ft)	Operation
2/18/2009	7:00 - 7:30	0.50	COMP	48		P		JSA#1
	7:30 - 18:00	10.50	COMP	30	A	P		7AM [DAY1]  RDMO NBU 1021-13N. ROAD RIG TO NBU 1021-24I. MIRU, SPOT EQUIPMENT. FCP=225#, BLEW WELL DN. KILL TBG W/ 20 BBLs. NDWH, NUBOP. RU FLOOR & TBG EQUIPMENT. POOH STDG BACK 2-3/8" J-55 YELL BND TBG. [SLM] TBG LOOKED GOOD. LD 42 JTS ON FLOAT. LD BHA. RD FLOOR & TBG EQUIPMENT. NDBOP, NU FRAC VALVES.  6 PM LEAVE WELL OPEN TO SALES.SDFN. PREP TO RIH W/ CBP, P.T. & PERF IN AM.
2/19/2009	7:00 - 7:30	0.50	COMP	48		P		JSA#2
	7:30 - 15:00	7.50	COMP	34	I	P		7AM [DAY2]  MIRU S.J. WIRELINE. RIH W/ GAUGE RING TO 7020'. RIH W/ FLOW THROUGH CBP & SET @ 6988'. POOH, LD TOOLS.  MIRU DBL JACK. P.T. CSG & FRAC VALVES TO 6000#. RDMO DBL JACK.  [STG#1] RIH W/ PERF GUNS & PERF THE M.V. @ 6858'-6864' & 6960'-6968' USING 3-3/8" EXP GUNS, 23 GM, 0.36, 120* PHS, 3 SPF, [42 HLS] WHP=0#. POOH & LD TOOLS.  3PM SWI-SDFN. [DAY3] STD BY
2/20/2009	-	-	-	-	-	-	-	-
2/23/2009	5:00 - 5:30	0.50	COMP	48		P		PREP TO FRAC W/ BJ ON MONDAY 2/23/09 HLD BJ JSA

## ROCKIES

## Operation Summary Report

Well: NBU 1021-24I

Spud Conductor: 7/25/2008

Spud Date: 8/2/2008

Project: UTAH

Site: UINTAH

Rig Name No: LEED 698/698

Event: RECOMPLETION

Start Date: 2/18/2009

End Date: 2/24/2009

Active Datum: RKB @5,341.00ft (above Mean Sea Level)

UWI: NBU 1021-24I

Date	Time Start-End	Duration (hr)	Phase	Code	Subcode2	P/U	MD From (ft)	Operation
	5:30 - 17:30	12.00	COMP	36	E	P		5AM [DAY 4] MIRU BJ FRAC EQUIPMENT. P.T. SURFACE LINES TO 7100#.
								[STG#1] WE-SICP=1050#. BRK DN PERFS @ 3511# @ 6 BPM. ISIP=2271, FG=.77, BULLHEAD 3 BBLS 15% HCL. CALC ALL PERFS OPEN. PMP'D 4354 BBLS SLK WTR & 155,511# 30/50 SD W/ 5000# RC SAND @ TAIL. ISIP=2811, FG=.85, NPI=540, MP=4800, MR=62, AP=4470, AR=61 BPM.
								[STG#2] RIH W/ BAKER 8K CBP & PERF GUNS. SET CBP @ 6698'. PERF THE WASATCH @ 6658'-6668' USING 3-3/8" EXP GUNS, 23 GM, 0.36, 90° PHS, 4 SPF, [40 HLS] WHP=550#. BRK DN PERFS @ 2805# @ 3 BPM. ISIP=1832, FG=.72. CALC 24/40 PERFS OPEN. PMP'D 601 BBLS SLK WTR & 19,527# 30/50 SD W/ 5000# RC SAND @ TAIL. ISIP=2850, FG=.87, NPI=1018, MP=4941, MR=51, AP=4444, AR=51 BPM.
								[STG#3] RIH W/ BAKER 8K CBP & PERF GUNS. SET CBP @ 5881'. PERF THE WASATCH @ 5663'-5668', 5810'-5812' & 5848'-5851' USING 3-3/8" EXP GUNS, 23 GM, 0.36, 90° PHS, 4 SPF, [40 HLS] WHP=330#. BRK DN PERFS @ 2206 @ 5 BPM. ISIP=1210, FG=.65. CALC 20/40 PERFS POEN.-- ALL OPEN WHEN SAND HIT. PMP'D 726 BBLS SLK WTR & 27,711# 30/50 SAND W/ 5000# RC SAND @ TAIL. ISIP=1738, FG=.74, NPI=528, MP=4627, MR=54, AP=3503, AR=53 BPM.
								[KILL PLUG] RIH W/ BAKER 8K CBP & SET @ 5613'. POOH & LD WIRELINE TOOLS. RDMO SJ WIRELINE & BJ FRAC EQUIPMENT. GRND TOTAL 30/50 & RC SAND=202,749# & TOTAL FLUID=5681 BBLS. ND FRAC VALVES, NUBOP. RU FLOOR & TBG EQUIPMENT. PU 3-7/8" BIT, PMP OPEN SUB W/ XN NIPPLE & RIH OUT OF DERRICK ON 2-3/8" J-55 YELL BND TBG. EOT @ 5600'. RU SWVL, RIG PMP & WTRFD FOAM UNIT.
								5:30 PM SW-SDFN. PREP TO D/O 3 CBP'S IN AM & LAND TBG.
2/24/2009	7:00 - 7:30	0.50	COMP	48		P		JSA#5

## ROCKIES

## Operation Summary Report

Well: NBU 1021-24I			Spud Conductor: 7/25/2008				Spud Date: 8/2/2008	
Project: UTAH			Site: UINTAH				Rig Name No: LEED 698/698	
Event: RECOMPLETION			Start Date: 2/18/2009				End Date: 2/24/2009	
Active Datum: RKB @5,341.00ft (above Mean Sea Level)			UWI: NBU 1021-24I					
Date	Time Start-End	Duration (hr)	Phase	Code	Subcode2	P/U	MD From (ft)	Operation
	7:30 - 15:00	7.50	COMP	44	C	P		7AM [DAY 5] JSA#5 WTFRD FOAM UNIT ON STD BY.  EOT @ 5560". RIH, TAG SD @ 5583'. ESTABLISH CIRC W/ RIG PMP. P.T. BOP 3000#. C/O 30' SD TO CBP#1 @ 5613'.  [DRLG CBP#1] @ 5613'. D/O BAKER 8K CBP IN 6 MIN. 100# INC. RIH, TAG SD @ 5841'. C/O 40' SD. FCP=25#.  [DRLG CBP#2] @ 5881'. D/O BAKER 8KM CBP IN 7 MIN. 0# INC. RIH, TAG SD @ 6658'. C/O 40' SD. FCP=25#.  [DRLG CBP#3] @ 6698'. D/O BAKER 8K CBP IN 7 MIN. 150# INC. RIH, TAG SD @ 6858'. C/O 30' SD TO FLOW THRU CBP @ 6988'. CIRC WELL CLN. R/D SWVL. POOH & LD 13 JTS ON FLOAT. LAND TBG ON HNGR W/ 210 JTS 2-3/8" J-55 YELL BND TBG. EOT @ 6620.16' & PMP OPEN SUB W/ XN NIPPLE @ 6616.51'. AVG 6.5 MIN PLUG & C/O 140' SD. RD FLOOR & TBG EQUIP. NDBOP, NUWH. DROP BALL DN TBG & PMP OPEN THE SUB @ 1800 #. OPEN WELL TO FBT ON OPEN CHOKE. FTP=50#, SICP=500#.  1PM TURN WELL OVER TO FBC. LTR @ 1 PM=5101 BBLs. DRAIN PMP & LINES. RACK EQUIP. RDMO. ROAD RIG TO LOVE UNIT.  SDFN 7 AM FLBK REPORT: CP 700#, TP 225#, OPEN/64" CK, 75 BWPH, MEDIUM SAND, - GAS TTL BBLs RECOVERED: 2113 TTL BBLs LEFT TO RECOVER: 3568 2/26/2009 7:00 - 33 A 7 AM FLBK REPORT: CP 1050#, TP 200#, OPEN/64" CK, 35 BWPH, LIGHT SAND, - GAS TTL BBLs RECOVERED: 3196 TTL BBLs LEFT TO RECOVER: 2485  12:00 - PROD  2/27/2009 7:00 - 33 A WELL TURNED TO SALES @ 1200 HR ON 02/26/2009 - FTP 225#, CP 1025#, CK 22/64", 775 MCFD, 720 BWPD 7 AM FLBK REPORT: CP 1400#, TP 1050#, 22/64" CK, 12 BWPH, CLEAN SAND, - GAS TTL BBLs RECOVERED: 3574 TTL BBLs LEFT TO RECOVER: 2107



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB No. 1004-0137  
Expires: July 31, 2010

## WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.  
UTU015630A

1a. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other		6. If Indian, Allottee or Tribe Name	
b. Type of Completion <input type="checkbox"/> New Well <input checked="" type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Resvr. Other <u>recomp</u>		7. Unit or CA Agreement Name and No. UNIT #891008900A	
2. Name of Operator KERR-MCGEE OIL & GAS ONSHORE		8. Lease Name and Well No. NBU 1021-241	
3. Address 1368 SOUTH 1200 EAST VERNAL, UT 84078		3a. Phone No. (include area code) Ph: 435-781-7024	
4. Location of Well (Report location clearly and in accordance with Federal requirements)* At surface NESE 2272FSL 870FEL At top prod interval reported below NESE 2272FSL 870FEL At total depth NESE 2272FSL 870FEL		9. API Well No. 43-047-37910	
14. Date Spudded 07/25/2008		15. Date T.D. Reached 09/13/2008	
16. Date Completed <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod. 02/26/2009		17. Elevations (DF, KB, RT, GL)* 5322 GL	
18. Total Depth: MD 9070 TVD		19. Plug Back T.D.: MD 6988 TVD	
20. Depth Bridge Plug Set: MD TVD		21. Type Electric & Other Mechanical Logs Run (Submit copy of each) N/A	
22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Directional Survey? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis)			

## 23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
20.000	14.000 STEEL	36.7		40		28			
12.250	9.625 J-55	36.0		2070		825			
7.875	4.500 I-80	11.6		9070		1515			

## 24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.375	6620							

## 25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) WASATCH	5663	6668	5663 TO 6668	0.360	80	OPEN
B) MESAVERDE	6858	6968	6858 TO 6968	0.360	42	OPEN
C)						
D)						

## 26. Perforation Record

## 27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and Type of Material
5663 TO 6668	PMP 1327 BBLS SLICK H2O & 47,238# 30/50 SD
6858 TO 6968	PMP 4354 BBLS SLICK H2O & 155,511# 30/50 SD

## 28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
02/26/2009	03/13/2009	24	→	5.0	2415.0	200.0			FLows FROM WELL
Choke Size	Tbg. Press. Flwg. 905 SI	Csg. Press. 1327.0	24 Hr. Rate →	Oil BBL 5	Gas MCF 2415	Water BBL 200	Gas:Oil Ratio	Well Status PGW	

## 28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
02/26/2009	03/13/2009	24	→	5.0	2415.0	200.0			FLows FROM WELL
Choke Size	Tbg. Press. Flwg. 905 SI	Csg. Press. 1327.0	24 Hr. Rate →	Oil BBL 5	Gas MCF 2415	Water BBL 200	Gas:Oil Ratio	Well Status PGW	

(See Instructions and spaces for additional data on reverse side)

ELECTRONIC SUBMISSION #68926 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* APR 20 2009

DIV. OF OIL, GAS &amp; MINING

## 28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
			→						

## 28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
			→						

29. Disposition of Gas(*Sold, used for fuel, vented, etc.*)  
SOLD

## 30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

## 31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top Meas. Depth
GREEN RIVER	1302				
BIRDS NEST	1108				
MAHOGANY	1829				
WASATCH	4263	6666			
MESAVERDE	6828	8836			

32. Additional remarks (include plugging procedure):

## 33. Circle enclosed attachments:

- |   |                    |               |                       |
|---|--------------------|---------------|-----------------------|
| 1. Electrical/Mechanical Logs (1 full set req'd.)     | 2. Geologic Report | 3. DST Report | 4. Directional Survey |
| 5. Sundry Notice for plugging and cement verification | 6. Core Analysis   | 7 Other:      |                       |

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions):

Electronic Submission #68926 Verified by the BLM Well Information System.  
For KERR-MCGEE OIL & GAS ONSHORE L, sent to the Vernal

Name (please print) SHEILA UPCHEGO

Title OPERATIONS

Signature

(Electronic Submission)

Date 04/15/2009

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\*